



U.S. Department of Homeland Security  
Washington, DC 20528

**Homeland  
Security**

**AUG 22 2016**

The Honorable Gene L. Dodaro  
Comptroller General of the United States  
United States Government Accountability Office  
441 G Street, NW  
Washington, DC 20548

Dear Mr. Dodaro:

On behalf of the U.S. Department of Homeland Security (DHS), I am pleased to submit the 11<sup>th</sup> update to the *Integrated Strategy for High Risk Management*. This update sets forth the dramatic steps taken by the Department since the publication of GAO's 2015 *High Risk Series* to strengthen its management functions and resolve High Risk List issues. Further, it incorporates GAO's feedback and charts the course toward continued success.

Since our last update in January 2016, my leadership team has redoubled their efforts to not only fully address GAO's 30 outcomes, but also to better articulate our progress to meet the two remaining GAO high-risk removal criteria: Capacity and Demonstrated Progress. In my view, there is sufficient evidence to support strong consideration by GAO for a "Met" rating on at least the Capacity criterion.

As highlighted throughout this update, the Department's progress is bolstered by our time-tested resource allocation methodology, as well as the many reforms that have been codified in policy or directives. The initiatives and priorities discussed in this report are sufficiently resourced and have an appropriate level of leadership oversight to allow for course corrections to address emerging requirements.

The Department has made great strides toward achieving our goal of fully addressing each of the 30 high-risk Outcomes and meeting the five GAO high-risk removal criteria. DHS is stronger as a result of our partnership with GAO. I look forward to meeting with you and your team in the coming weeks to discuss this update.

Sincerely,

A handwritten signature in black ink that reads "RC Deyo". The signature is written in a cursive, flowing style.

Russell C. Deyo  
Under Secretary for Management

Enclosure



A BIENNIAL UPDATE TO THE  
GOVERNMENT ACCOUNTABILITY OFFICE

**August**

**2016**



# INTEGRATED STRATEGY FOR HIGH RISK MANAGEMENT Strengthening Management Functions

**Mr. Russell C. Deyo**  
*Under Secretary for Management*





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# Overview



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# Overview



## Overview

### Summary

The U.S. Department of Homeland Security (DHS) presents the 11th update to its *Integrated Strategy for High Risk Management*, which provides a comprehensive overview of the progress made by the Department in strengthening management functions since February 2015, when the Government Accountability Office (GAO) issued its biennial *High Risk Series* report. Historically, the Department has emphasized its progress in fully addressing each of 30 GAO high-risk Outcomes through 11 well-established initiatives spanning financial management, human capital, information technology, and acquisition oversight. This positive trend continues, with DHS reporting a significant increase in fully or mostly addressed Outcomes.

Throughout this update, greater focus is given to the advancements the Department has made to meet GAO's five criteria for removal from the High Risk List. In March 2016, GAO improved the Department's ratings and currently, of the five high-risk criteria, three are rated "Met": Leadership Commitment, Action Plans, and Monitoring. DHS is one of only two agencies on the High Risk List that has achieved a "Met" rating on at least three of the GAO criteria. The remaining two criteria, Capacity and Demonstrated Progress, are rated "Partially Met."

It is the position of Departmental leadership that sufficient progress has been made on the Capacity criterion for GAO to seriously consider rating it as "Met."

Chapter 1 presents evidence to support this position, in addition to providing an update on progress for all the criteria. Chapter 2 provides an analysis of how significant progress is being made on each of the Department's 11 initiatives to fully address the 30 GAO Outcomes. This chapter describes key measures for each initiative and provides an assessment of the Department's capacity to resolve risks associated with their implementation. Chapter 3 highlights additional accomplishments through updates to the detailed corrective-action plans for GAO's 30 Outcomes. Appendix A provides an updated assessment of the Department's progress in addressing self-identified root causes of challenges within the management areas, which is a key factor for GAO in rating the Demonstrated Progress criterion.

### Recent Highlights

The Department continues to make significant progress in strengthening management functions while addressing GAO's outcomes. Key highlights include:

- **Integrated Priorities.** The Management Directorate Integrated Priorities focus on strengthening integration among the Department's management functions (see Appendix B). The implementation of these priorities is monitored regularly by the Under Secretary and Deputy Under Secretary for Management. The priorities align with and reinforce the Secretary's landmark Unity of Effort initiative by bolstering the efforts already underway to support the Department's goal of fully addressing all of GAO's 30 Outcomes and ultimately seeking removal from the High Risk List.
- **Senior Leadership Commitment to Strengthening Management Functions.** Led by the Secretary, DHS leadership has demonstrated commitment to and support for strengthening management and addressing related risks. The Under Secretary and Deputy Under Secretary for Management, DHS Chief Executive Officers, and other key executives continue to ensure that management functions receive consistent senior-level oversight as the Department works toward fully addressing the GAO criteria and Outcomes. The Under Secretary and Deputy Under Secretary for Management meet regularly with the senior management leadership team to monitor corrective-action plans (see Chapter 3) to ensure the Department is on track to meet the projected dates for fully addressing each Outcome.
- **Solidified Capacity/Resource Allocation Methodology.** The Department institutionalized its capacity/resource allocation methodology to organize and allocate resources based on operational performance (output and outcome) metrics developed as part of the Unity of Effort initiative. In turn, this methodology has informed the aforementioned Integrated Priorities, as well as the Department's 11 Initiatives to address GAO's 30 high-risk Outcomes. Each of these priority efforts has a clear



roadmap to better unify the Department and, moreover, provide insight to overall capacity needs across the Department.

- **Progress toward High-Risk List Removal.** In June 2016, U.S. Senator Thomas R. Carper, Ranking Member, Homeland Security and Governmental Affairs Committee, requested DHS's participation in a Senate roundtable to share best practices as an agency that had made progress on High Risk List issues. The roundtable built on GAO's April 25, 2016 interim update, *High-Risk Series: Key Actions to Make Progress Addressing High-Risk Issues*, in which the Department's leadership commitment and the *Integrated Strategy for High Risk Management* were included as best practices.

## Historical Context

Since the creation of DHS in 2003, each administration has built upon the progress of its predecessors to forge a better-functioning, more deeply integrated Department. Secretary Chertoff's first action as Secretary of Homeland Security in 2005 was to initiate a comprehensive review of the Department's operations, policies, and organization. This Second Stage Review resulted in Department-wide, Congressionally supported realignments and functional consolidations to improve the Department's capacity to address identified vulnerabilities, threats, and consequences.

In 2008, Secretary Napolitano focused on creating "One DHS" and launched initiatives such as the Bottom-up Review and the Integrated Investment Life Cycle Management pilot to instill further discipline and strengthen strategic planning and program execution by formalizing the development of Department-wide strategic direction, aligning mission needs with operational requirements, and rationalizing Department-wide capabilities.

The *Integrated Strategy for High Risk Management* was first published in January 2011, when the Secretary, Deputy Secretary, and Under Secretary for Management decided to leverage the GAO High Risk List to strengthen management at DHS, and has evolved into a principal framework to integrate management functions and resolve risk.

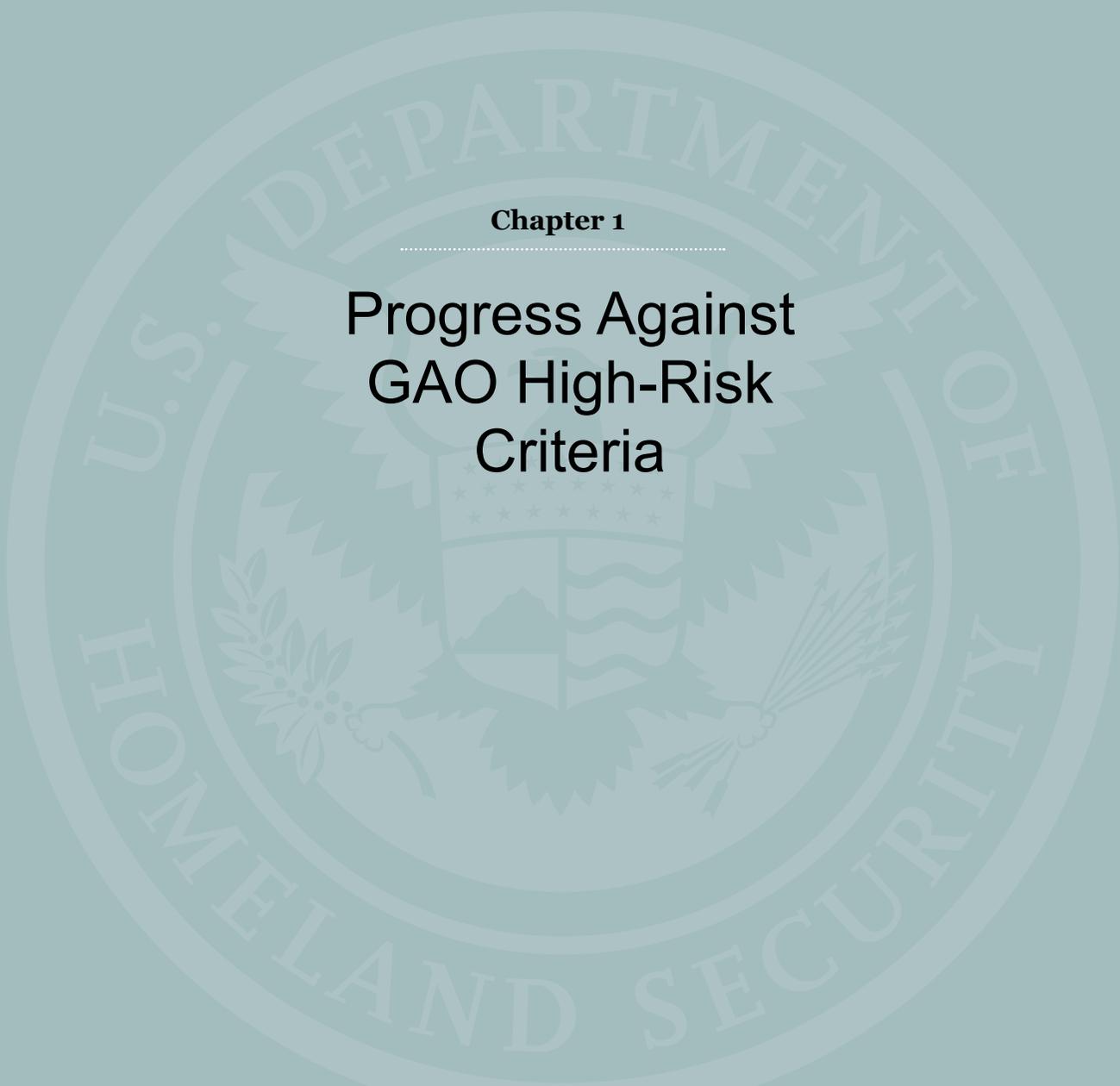
Secretary Johnson's Unity of Effort initiative, launched in 2014, has ensured that DHS invests and operates in a more cohesive manner, through better governance, and by strengthening linkages between the Department's planning, programming, budgeting, and executive processes. Better governance starts at the top, with the formation of the Secretary's Senior Leaders Council and the Deputy Secretary's Management Action Group. Today, enterprise-wide decisions are made through a transparent and collaborative process to drive strategic results.

DHS has achieved success by improving its existing business processes and developing new processes where needed, and Department leaders are committed to building on this success in coming years.

## Conclusion

DHS and GAO officials have continued to meet regularly to discuss progress and the path forward to strengthen management and seek removal from the High Risk List. These engagements facilitate a better mutual understanding of GAO and DHS viewpoints and provide a clearer picture of the work that remains.

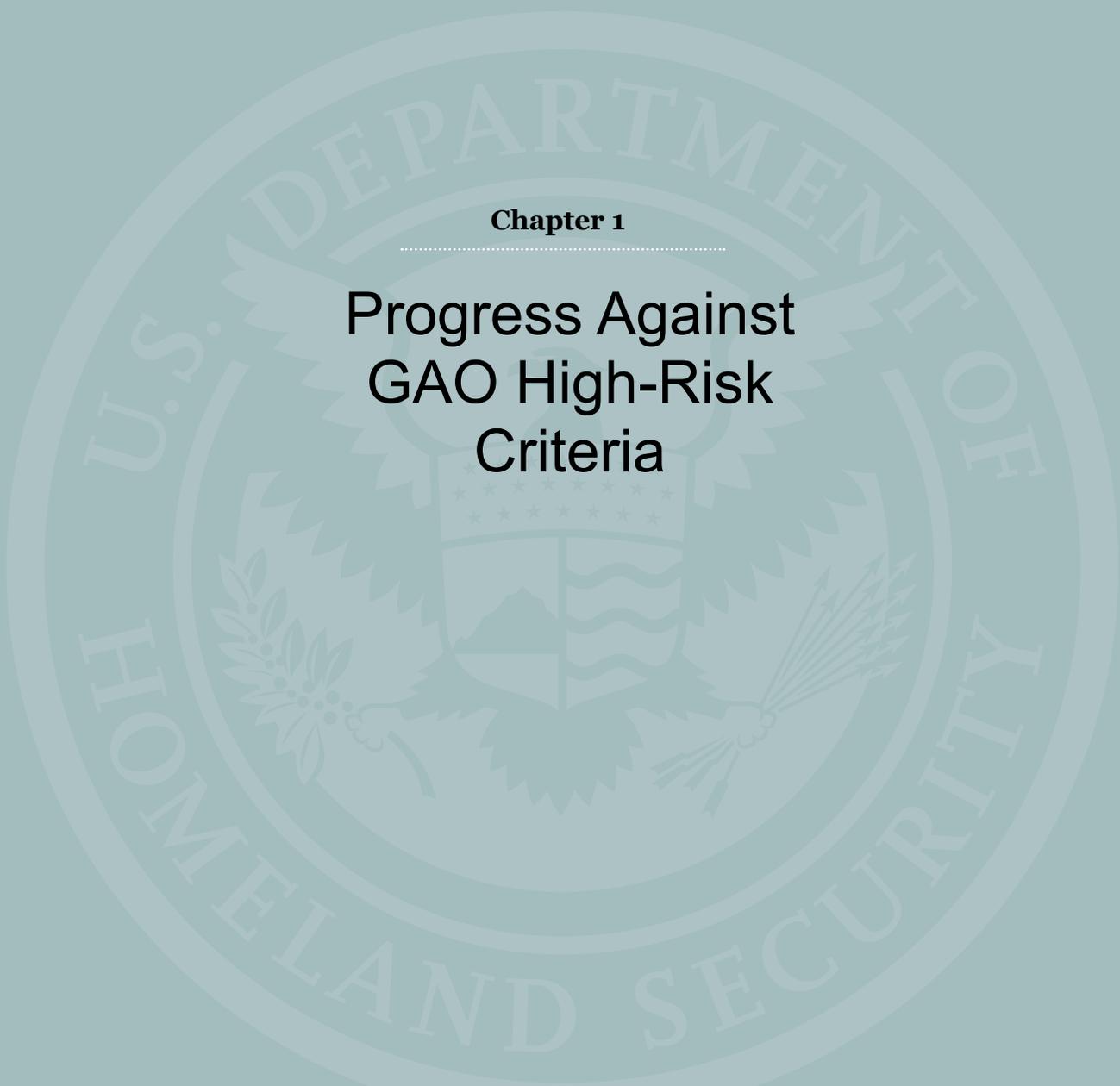
This submission leverages the information from those discussions and demonstrates the Department's capacity to resolve risk and strengthen its management functions. It further demonstrates the commitment of top leadership, which continues to be critical in achieving and sustaining progress. The action plans outlined in this report are evidence of the Department's efforts to fully or mostly address additional outcomes by GAO's next High Risk Series update, which is widely expected to be released in early 2017.



**Chapter 1**

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**Progress Against  
GAO High-Risk  
Criteria**



**Chapter 1**

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**Progress Against  
GAO High-Risk  
Criteria**



## Introduction

GAO assesses the progress of high-risk programs using five criteria: (1) Leadership Commitment, (2) Action Plans, (3) Monitoring Actions, (4) Capacity, and (5) Demonstrated Progress. For DHS to become eligible for removal from GAO's High Risk List, all of these "high-risk removal" criteria must be met and sustained. GAO describes the criteria as follows:

1. **Leadership Commitment.** Demonstrated strong commitment and top leadership support.
2. **Capacity.** Agency has the capacity (i.e., people and resources) to resolve the risk(s).
3. **Action Plan.** A corrective action plan exists that defines the root cause, solutions, and provides for substantially completing corrective measures, including steps necessary to implement solutions [GAO] has recommended.
4. **Monitoring.** A program has been instituted to monitor and independently validate the effectiveness and sustainability of corrective measures.
5. **Demonstrated Progress.** Ability to demonstrate progress in implementing corrective measures and in resolving the high-risk area.<sup>1</sup>

In March, 2016 GAO testified before Congress that DHS had met three criteria: Leadership Commitment, Action Plan, and Monitoring. Further, GAO advised that DHS partially met the Capacity and Demonstrated Progress criteria.<sup>2</sup>

This chapter presents additional information and proposes that the Department has made sufficient progress for GAO to consider rating the Capacity criterion as "Met." Further, in Chapter 2, the capacity of specific DHS initiatives is discussed.

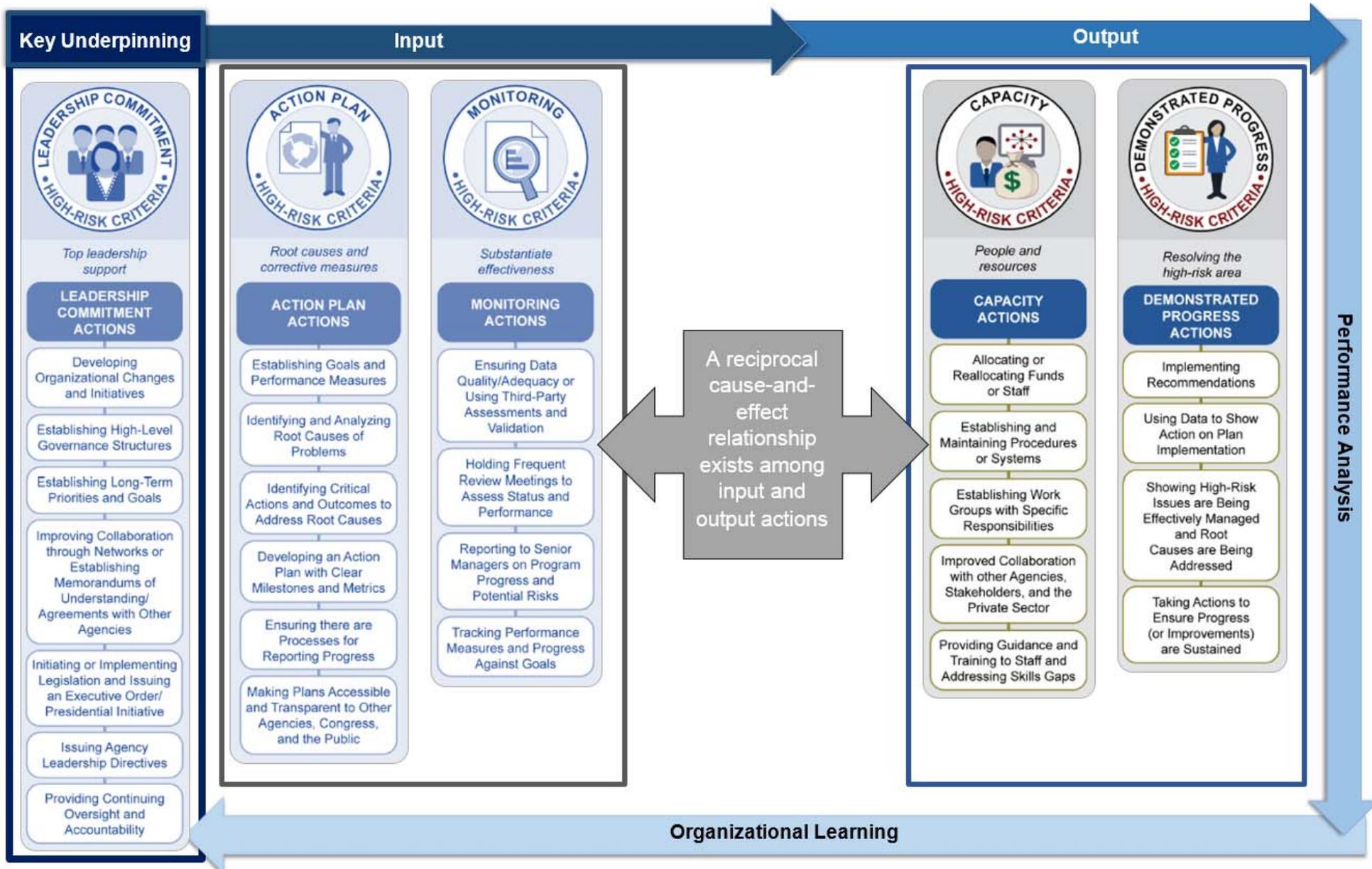
Figure 1 depicts GAO's criteria and illustrative actions taken by agencies to earn a "Met" rating. GAO has noted that "actions taken under one criterion may be important to meeting other criteria as well."<sup>3</sup> DHS uses a systems approach to address the criteria, viewing the criteria as interdependent variables in a larger system, rather than in isolation (Figure 1). For example, the Department's top leadership commitment is the key underpinning that drives strategy, sets priorities, and fosters nimble decision-making. The end result is more effective action planning and monitoring, which enable leaders to allocate the necessary people, structures, and systems to meet mission needs and resolve high-risk items. In a reciprocal cause-and-effect relationship, these results inform planning, monitoring, and decision-making processes.

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<sup>1</sup> GAO, *Determining Performance and Accountability Challenges and High Risks*, GAO-01-159SP (Washington, D.C., 2000).

<sup>2</sup> GAO, *Progress Made, but Work Remains in Strengthening Acquisition and Other Management Functions*, Testimony Before the Committee on Homeland Security and Governmental Affairs, U.S., Senate, GAO-16-507T (Washington, D.C., 2016). Table: "Assessment of DHS Progress in Addressing the Strengthening DHS Management Functions High-Risk Area, as of March 2016."

<sup>3</sup> GAO, *Key Actions to Make Progress Addressing High-Risk Issues*, GAO-16-480R (Washington, D.C., April 25, 2016), page 3.



\*Fully Met criteria shaded in BLUE (GAO, March 2016 rating)

Figure 1. Systems View of DHS Strategy to Address GAO's High-Risk Removal Criteria



## Sustaining Progress on “Met” Criteria

Led by the Secretary, DHS leaders at all levels have demonstrated commitment to strengthening management functions and addressing GAO criteria for High Risk List removal. The Department is one of only two federal agencies that have met at least three of GAO’s criteria (Leadership Commitment, Action Plan, and Monitoring). Actions to sustain and continue progress include:

- GAO has commended the Secretary, Deputy Secretary, Under Secretary for Management (USM), and other senior leaders for institutionalizing top leadership commitment as a way of ensuring the long-term success of the Department’s efforts to address management challenges.<sup>4</sup> DHS leaders meet regularly with their GAO counterparts to discuss the Department’s progress, including progress on each of the GAO criteria. This commitment has been sustained through the tenure of multiple Secretaries.
- Secretary Johnson launched the Unity of Effort initiative in April 2014 to strengthen the Department’s strategy, planning, programming, budgeting, execution, and acquisition processes by improving existing structures and creating new ones where needed to build organizational capacity. The Department has institutionalized Unity of Effort initiatives in Departmental directives and instructions (see Appendix C).
- The Department has issued the *Integrated Strategy for High Risk Management* (hereafter: *Integrated Strategy*) biannually, beginning in 2011 when DHS leadership decided to leverage the GAO High Risk List to strengthen management functions at DHS. GAO has recognized the *Integrated Strategy* as a best practice for making progress on high-risk issues.<sup>5</sup>
- DHS has instituted strong governance at the highest levels. Major decisions are made in consultation with the Secretary’s Senior Leaders Council, the Deputy Secretary’s Management Action Group (DMAG), and the Acquisition Review Board (ARB). The Secretary meets regularly with the USM, Deputy Under Secretary for Management (DUSM), and other Component leaders to track progress on DHS priorities, including strengthening management and removal from the GAO High Risk List.
- The USM and DUSM meet regularly with the Department’s Chief Executive Officers (CXOs)<sup>6</sup> and other senior leaders to track progress on the GAO high-risk Outcomes, as well as Integrated Priorities (Appendix B), a series of aggressive management initiatives with detailed goals, objectives, and measurable action plans that align with and support Unity of Effort. These actions help drive closure for each of GAO’s high-risk Outcomes, address DHS-identified root causes, and promote integration of the Department.

DHS leaders remain committed to monitoring and validating the effectiveness and sustainability of the corrective measures the Department has taken to address High Risk List issues.

## DHS Meets the Capacity Criterion and Demonstrates Progress

### I. Capacity

GAO describes Capacity as “an agency’s capacity (i.e., people and resources) to resolve the risk(s).”<sup>7</sup> In addition, GAO published illustrative actions that could indicate an agency has met Capacity and other GAO criteria, depicted in Figure 1.

In this section, DHS articulates the Department’s capacity to achieve critical mission goals and resolve risk by following a clear methodology, and provides examples to support its position that it has met the Capacity criterion. This report builds on the January 2016 *Integrated Strategy*,<sup>8</sup> in which DHS first proposed that the Capacity criterion was met based on having addressed self-identified resource shortfalls,<sup>9</sup> as well as instituting Unity of Effort reforms (e.g., strengthening acquisition lifecycle management as well as planning, programming, budgeting, and execution (PPBE) processes—See

<sup>4</sup> GAO, *Addressing High-Risk Issues*, page 12.

<sup>5</sup> GAO, *Addressing High-Risk Issues*, pages 1, 24.

<sup>6</sup> E.g.: Chief Financial Officer, Chief Information Officer, Chief Human Capital Officer, Chief Procurement Officer.

<sup>7</sup> GAO, *Addressing High-Risk Issues*, page 3.

<sup>8</sup> DHS, *Integrated Strategy for High Risk Management*, January 2016.

<sup>9</sup> Specifically, for two initiatives: Information Technology Human Capital Strategic Plan, and Program Management Corps.



Appendix D). It also addresses subsequent requests from GAO functional area teams for additional information on how DHS identifies capacity needs.

The Department's strong leadership commitment and governance, effective action planning, and sustainable monitoring have enabled a more focused strategy to continuously validate that DHS has adequate capacity to resolve risks associated with management challenges. The Department's business management approach, including its process for allocating resources (e.g., financial, human capital) and making adjustments as programs or circumstances evolve, ensures that resources remain sufficient throughout the Future Years Homeland Security Program and beyond. Secretary-approved strategy and outcomes drive development of operational requirements; resource planning; programming, budgeting, and execution; and program acquisition. These operational requirements, in turn, have been used to develop staffing models for mission-critical occupations and functions that help the components determine the numbers and types of personnel required to perform priority missions.<sup>10</sup>

Through regular monitoring of its business management actions against targeted goals, DHS leaders are able to make well-informed refinements to these essential business management processes. DHS believes its resource planning and decision-making process are both sound and time-tested, and represent a logical approach to identifying capacity needs and mitigating risks.

#### *a) Capacity/Resource Allocation Methodology*

Per established policy, the Department's capacity/resource allocation methodology ensures that:

- Resource decisions are based on strategic direction and explicit criteria.
- Analysis includes explicit, balanced, and feasible alternatives.
- Needs and costs are considered simultaneously.
- Detailed and transparent analysis forms the basis for resource decisions.
- A multi-year financial plan projects the consequences of present and future resource decisions.

Since GAO's last *High-Risk Series* report,<sup>11</sup> the Department has used this methodology to make progress toward organizing and allocating resources based on the operational performance (output and outcome) metrics developed as part of the Unity of Effort initiative. This in turn has informed the Integrated Priorities as well as the Department's 11 initiatives to address GAO's 30 high-risk Outcomes. Each of these priority efforts has a clear roadmap to better unify the Department and, moreover, provide insight to improve budget development and resource allocation.

The Department has a repeatable methodology and leadership framework to oversee progress and make adjustments over time (see Figure 1). The Department's capacity/resource allocation methodology establishes priorities which are then tracked and monitored at the appropriate level. Information is then shared with decision makers and appropriate adjustments are made.

The following section will discuss progress Department-wide and within its management lines of business (e.g., financial management, human capital, information technology, acquisition).

#### *b) Department-wide Progress in Managing Capacity and Mitigating Risk*

Since April 2014, the Secretary's "Strengthening Departmental Unity of Effort" initiative has served as the roadmap for unifying the Department. The initiative builds on a history of leadership commitment to strengthen management functions. The continued leadership focus on strengthening the Department has led to more comprehensive results in terms of ensuring that changes are solidified and sustained. Through a solid governance structure, Unity of Effort initiatives have established clear outcomes and performance metrics that have been consistently prioritized and tracked. Moreover, the Department has instituted policies and procedures to codify the initiatives, thus ensuring they are an integral part of the Department's management framework.

<sup>10</sup> DHS's staffing models incorporate operational indicators such as passenger volume, required hours at ports of entry, and shift profiles for 24/7 protective services, and apply to more than 60% of the workforce (primarily focusing on mission critical occupations), with efforts underway to develop models for multiple other operational functions.

<sup>11</sup> GAO, *High-Risk Series* report, February 2015.



The changes discussed in this section solidify a management philosophy where top leadership formulates critical decisions, including allocation of DHS resources, and those decisions cascade to the appropriate organizational level where they are effectively resourced, implemented, and monitored.

Unity of Effort has more effectively integrated the resource allocation methodology with other key management structures, such as the Joint Requirements Council (JRC) and the Joint Requirements Integration Management System (JRIMS). The JRC assesses Component proposals as part of the Department's budget build to support a mission-based view of DHS programs. Under JRIMS, emerging requirements are assessed and validated before they compete for resources, which means that resource decisions are tied to validated operational requirements. In addition, at the direction of the Secretary, DHS has improved research and development (R&D) coordination to ensure investments are more closely aligned with operational needs.<sup>12</sup> The JRC continues to work with DHS policy, R&D, financial management, and acquisition oversight leaders to ensure that proposed operational requirements are directly tied to DHS strategy and policy, are technologically and programmatically feasible, and are cost-informed before resource allocation decisions are made.

Another key touch point for the resource allocation process is in acquisition management. As part of their resource allocation requests, Components are required to submit updated cost estimates for major acquisition programs<sup>13</sup> at relevant milestones, allowing senior leaders visibility into potential funding imbalances and offering the opportunity to mitigate those issues as part of the resource allocation process.

To improve joint operations coordination, the DHS Southern Border and Approaches Campaign was initiated as part of a larger Joint Operational Planning and Force Allocation Process. This ensures effective enforcement and interdiction across land, sea, and air and degrades transnational criminal organizations without impeding the flow of lawful trade, travel, and commerce across borders.

The cross-cutting Integrated Priorities, launched in August 2015, align with and support the Unity of Effort framework. The USM and DUSM regularly monitor the Integrated Priorities to ensure they are sufficiently resourced and achieve established goals and outcome metrics.

Both Unity of Effort and the Integrated Priorities strengthen DHS management and result in progress in addressing GAO's high-risk Outcomes. The USM and DUSM specifically track GAO high-risk Outcomes at leadership meetings with the Department's CXOs where capacity and resource needs are discussed. Figure 2 illustrates how these leadership initiatives have resulted in stronger and more-integrated management functions.

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<sup>12</sup> This addresses GAO's recommendation to improve R&D coordination across the Department (GAO-12-837).

<sup>13</sup> This refers to Level 1 and Level 2 acquisition programs. For example (in accordance with D102-01-001): Level 1 is a major acquisition program with a lifecycle cost in excess of \$1 billion; and Level 2 is a major acquisition program with a lifecycle cost between \$300 million and \$1 billion.

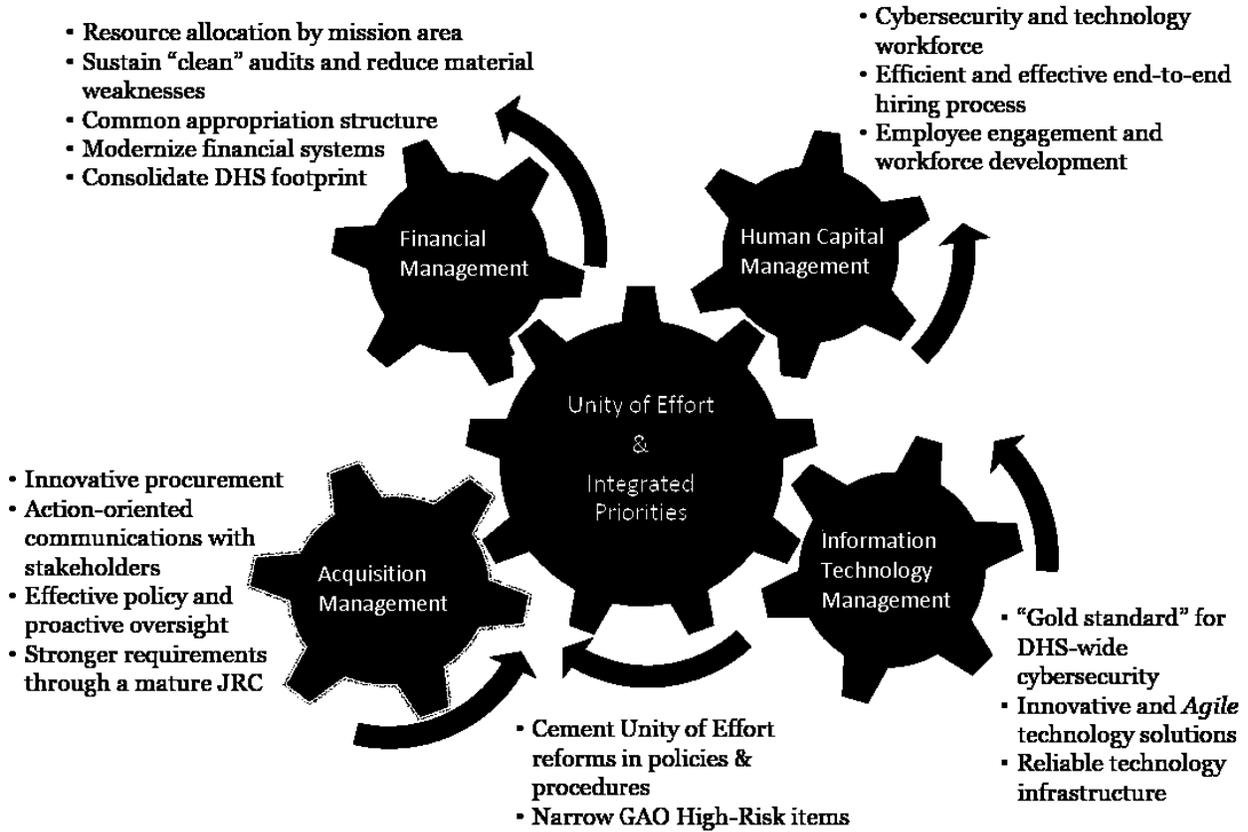


Figure 2. Integrated Management at DHS

*c) Highlights of Capacity Accomplishments by Functional Lines of Business*

The DHS CXOs assess capacity needs and manage risk within and across management functional lines of business to dynamically address homeland security requirements in concert with Component colleagues. Leaders work collectively to allocate resources, update and maintain procedures, leverage working groups, collaborate with external stakeholders, and develop the workforce. These types of activities mirror those identified by GAO as example actions taken by agencies to meet the Capacity criterion.<sup>14</sup> Figure 3 provides examples of actions taken by DHS to meet the Capacity criterion.

<sup>14</sup> GAO, *Addressing High-Risk Issues*, page 4.



	Allocating or Reallocating Funds or Staff	Establishing and Maintaining Procedures or Systems	Establishing Work Groups with Specific Responsibilities	Improved Collaboration with other Agencies, Stakeholders, and the Private Sector	Providing Guidance and Training to Staff and Addressing Skills Gaps
<b>Financial Management</b>	<ul style="list-style-type: none"> <li>Strengthened planning and analysis activities supporting budget development.</li> <li>Solidified Component PM staff.</li> <li>Enhanced cost estimating area.</li> <li>Aligned resources for FSM.</li> <li>Conducted organizational structure reviews to lower risk.</li> <li>Assesses DHS-wide staffing needs.</li> </ul>	<ul style="list-style-type: none"> <li>Codified a strengthened PPBE process.</li> <li>Promulgated FM systems policy and standards.</li> <li>Issued guidance to ensure compliance with A-123 and GAO Green Book.</li> <li>Oversaw RAP and RAD process.</li> <li>Issued FSM Playbook.</li> </ul>	<ul style="list-style-type: none"> <li>Sponsored the CFO Council, FSM ESC (chaired by the DHS CFO) and Financial Management Systems working group.</li> <li>Worked with other Federal agencies to coordinate FSM efforts.</li> <li>Appraised Congress and OMB of FSM progress.</li> </ul>	<ul style="list-style-type: none"> <li>Provided technical assistance to Congress to establish Common Appropriations Structure.</li> <li>Collaborated with other agencies on internal controls.</li> <li>Worked across DHS to support remediation of action plans.</li> </ul>	<ul style="list-style-type: none"> <li>Issued career path guidance for key mission critical positions.</li> <li>Enhanced training curriculum for more than 1100 employees.</li> <li>Held regular training symposia to refresh knowledge.</li> </ul>
<b>Human Capital</b>	<ul style="list-style-type: none"> <li>Established the Strategic Workforce Planning &amp; Analysis function to assess capacity needs across DHS.</li> <li>Created Chief Learning and Engagement Office to elevate engagement and workforce development.</li> </ul>	<ul style="list-style-type: none"> <li>Implemented the DHS Human Capital Strategic Plan.</li> <li>Published operational plans and standard operating procedures for strategic plan implementation.</li> <li>Strengthened guidance for tactics, success indicators, and governance structures.</li> </ul>	<ul style="list-style-type: none"> <li>Developed governance structure through Human Capital Leadership Council.</li> <li>Established goals, guidance, tactical plans, and success indicators to guide working groups in implementing DHS Human Capital Strategic Plan goals and objectives.</li> </ul>	<ul style="list-style-type: none"> <li>Human Capital Leadership Council collaborates with CFO Council to ensure there are sufficient financial resources to achieve priorities.</li> <li>Assimilated CIO's workforce strategy into DHS Human Capital Strategic Plan.</li> </ul>	<ul style="list-style-type: none"> <li>Conducted intensive training across DHS to assimilate the operational plans and standard operating procedures.</li> <li>Best practices are shared regularly among working groups.</li> <li>Trained managers/supervisors.</li> <li>Trained recruiters and led targeted recruitment events</li> </ul>
<b>Information Technology</b>	<ul style="list-style-type: none"> <li>Leveraged the Cyber Maturity Model to develop budget request.</li> <li>Realigned to focus on strategic IT initiatives and investments.</li> <li>Hired an industry leader as Chief Technology Officer to solidify DHS' technology infrastructure.</li> </ul>	<ul style="list-style-type: none"> <li>Standardized common baseline and plan based on FITARA provisions.</li> <li>Issued FITARA Playbook.</li> <li>Created the Cyber Maturity Model to qualitatively assess areas for improvement.</li> <li>Served as early adopter for a Federal-government-wide cybersecurity system.</li> </ul>	<ul style="list-style-type: none"> <li>Established FITARA IPT/Agile Acquisition working groups.</li> <li>Established centers of excellence for Agile development and systems engineering.</li> <li>Established a Chief Executive Officer Engagement Council.</li> <li>Collaborated through the CIO Council</li> </ul>	<ul style="list-style-type: none"> <li>Established the vendor and customer relations function.</li> <li>Engaging private sector on improving cybersecurity.</li> <li>Achieved OMB goal of 40% reduction of data centers.</li> <li>Coordinate with Component leadership on cybersecurity and FISMA compliance.</li> <li>Detailed SMEs across DHS.</li> </ul>	<ul style="list-style-type: none"> <li>Implemented enhanced security training DHS-wide.</li> <li>Integrated IT Strategic Plan plan with DHS-wide Human Capital Strategic Plan.</li> <li>Incorporated IT Immersion training for all new hires.</li> <li>Conducted the DHS Cyber/Tech Fair</li> </ul>
<b>Acquisition</b>	<ul style="list-style-type: none"> <li>Received \$2M infusion to enhance oversight.</li> <li>Solidified CAE structure to improve quality of program management.</li> <li>Continued to invest in the Acquisition Professional Career Program to build capacity for future generations.</li> </ul>	<ul style="list-style-type: none"> <li>Updated MD-102 to address procedural gaps.</li> <li>Established a Department-wide framework to staffing gaps for major programs.</li> <li>Ensured capacity gap issues are addressed at each Acquisition Review Board.</li> <li>Defined role of JRC.</li> </ul>	<ul style="list-style-type: none"> <li>Established a tiered governance structure that includes regular engagements of the DHS acquisition community (i.e., ARBs, CAE Council; JRC, CAE staff forums; High-visibility meetings on high risk programs).</li> </ul>	<ul style="list-style-type: none"> <li>Acquisition Innovation Roundtables to collaborate with industry on methods to improve processes.</li> <li>Homeland Security Roundtables.</li> <li>Cross-agency engagement through CAO Council meetings at OMB.</li> </ul>	<ul style="list-style-type: none"> <li>Created nine certification programs.</li> <li>Issued and tracked about 2,600 certifications.</li> <li>Standardized all acquisition training to ensure consistency.</li> <li>Continued the Acquisition Professional Career Program to recruit and train acquisition professionals.</li> </ul>

Figure 3. Examples of DHS actions to meet the Capacity criterion

More-detailed examples taken to meet the Capacity criterion are presented below. Chapter 2 presents additional evidence of how DHS is demonstrating progress and meeting the Capacity criterion for 11 specific initiatives.

**Financial Management.** The Department’s Chief Financial Officer (CFO) addresses capacity risk by ensuring that major programs and initiatives are sufficiently funded, staffed with highly qualified and trained personnel, and executed within the Department’s established resource allocation guidelines. Subject-matter experts and Integrated Project Teams from multiple DHS Components are frequently matrixed across programs or initiatives. Where applicable, other federal agencies and contractors are included on these teams. The following examples demonstrate how DHS assesses and meets capacity needs for financial management:

- Program/Project Planning and Oversight:** Major initiatives such as the Financial Systems Modernization (FSM) program are planned and executed following project management best practices which include but are not limited to:
  - Supporting Components in developing lifecycle cost estimates and market research by identifying and providing best practices, and reviewing final products.
  - Using Integrated Master Schedules to identify major milestone resource needs.
  - Regularly assessing staff resources for planned activities, governance, and oversight. This includes helping Components ramp up staff to manage the system engineering efforts in the Discovery phase of the Integrated Master Schedule, and scale down, as appropriate.



- Leveraging interagency program management oversight and collaboration to identify and apply resources requirements to achieve project goals and schedules. This includes Executive Steering Committees and working groups composed of the Office of Management and Budget (OMB), Department of Interior's Interior Business Center (the selected shared service provider for several DHS Components), Unified Shared Services Management, the Department of Treasury, and Component customers.
- Contracting with industry, where necessary, to augment efforts and nimby address evolving project requirements.
- Holding frequent stakeholder meetings to monitor resources, staffing, and status (e.g., progress, risks, schedule, and project measures) and make adjustments when necessary.
- **Trained Federal Personnel:** DHS has invested resources and oversight to ensure the recruitment and retention of a high-performing workforce. In addition to strategic evaluation of division and program resource needs, DHS performs lifecycle oversight of current vacancies; ensures critical positions are advertised and filled quickly with top-quality subject matter experts; and ensures that coverage through cross-training and redundancy is in place for major activities.

Further, the Office of the Chief Financial Officer (OCFO) invests in the financial management workforce through training, development, and recognition programs. For example, working with the Office of the Chief Human Capital Officer (OCHCO), OCFO developed career path guides for five mission-critical occupations: staff accountant, budget analyst, cost analyst, internal controls, and resource analyst.

Finally, the CFO offers technical, leadership, and workplace skills training through a Centralized Training Program that services headquarters along with 13 DHS financial management communities. In addition to the 60-course annual curriculum, OCFO provides the entire DHS financial management community with a two-day training symposium on current issues, new technologies, technical training, and new government processes. This is held in tandem with a well-received CFO awards for excellence program that honors major contributions from across the DHS financial management community.

- **Audits:** OCFO has worked closely with Components to demonstrate that the Department's financial statements are accurate, and continues to make strides toward achieving a clean opinion on internal control over financial reporting. This includes preparing Mission Action Plans (MAPs) identifying required resources and planned milestones, which CFO monitors throughout the year. OCFO also meets at least monthly with Components to identify progress and risks associated with achieving milestones, and identifies any risks associated with delays, including resource needs.

As Components begin to test controls over high-risk processes/systems while continuing to address audit issues, the Department is proactive in assessing and ensuring a robust control environment. Its new risk-based approach allows remediation resources to focus testing on areas that contribute most to the Department, and thus achieve the biggest return on investment.

**Human Capital Management.** The CHCO assesses and ensures capacity for human capital initiatives by reviewing existing and new work on a regular basis, establishing priorities, and leveraging resources from a variety of sources. In FY 2014, the CHCO and the Human Capital Leadership Council (HCLC), composed of the senior human capital officials in DHS, oversaw the development of a new Human Capital Strategic Plan (HCSP) for FY 2015–2019.

On an annual basis, the CHCO and HCLC, with input from a variety of stakeholders, develop an operational plan that addresses, among other things, capacity requirements for the implementation of the HCSP. The HCLC considers existing programs and new initiatives and their relative priorities as it finalizes the operational plans. For example, the USM established three integrated priorities for human capital: cybersecurity and technology workforce; efficient and effective hiring process; and employee engagement and workforce development. Operational plan tactics and success indicators closely align with these overarching priorities.

Additional examples of DHS routinely assessing its program and capacity needs, determining gaps, and addressing them by implementing new, innovative ways to attract and hire needed professionals include:



- In FY 2015, a DMAG-sponsored study determined the need for enhanced position management linked to budget and for department-wide staffing requirements models that will better inform hiring efforts and improve resources deployment. The DMAG acknowledged a resources gap in establishing these human capital-related capabilities. Subsequently, a resource allocation proposal was approved at a joint HCLC and CFO Council meeting and later submitted through the budget process, which resulted in a budget enhancement, including full-time equivalents, for FY 2017. To address the capacity gap for FY 2016 and launch the effort for near-term results, OCHCO and OCFO established a cross-Component Integrated Project Team that produced a concept of operations, identified policy needs, and assessed component position management system capabilities and requirements.
- In July 2016, faced with federal and private-sector competition for cybersecurity professionals, DHS leveraged the collective capacity of the human capital, information technology and personnel security communities to conduct a DHS Cyber/Tech Fair to build the cybersecurity workforce at DHS and fill more than 300 vacancies in specialized areas including software engineers, designers, product managers, and informational technology specialists. Over 10,000 people applied for positions online, while several thousand “walked in” to the hiring event. DHS hiring managers conducted close to 800 interviews and made 205 on-the-spot job offers. All DHS Components participated in the event, with over 66% of DHS’s vacant cyber/technology positions filled as a result of this two-day event.
- DHS reduced time-to-hire by nearly 24% in FY 2015 (from FY 2014) and is continuing this forward momentum, looking at hiring holistically by taking into account the various functions and roles that affect the process. For example, DHS is putting greater focus on the personnel-security stage of the hiring process to identify additional opportunities for improvement. The Department’s focus on identifying opportunities for improvement in the personnel-security process by standardizing metrics works in concert with government-wide efforts facilitated by the Performance Improvement Council to define outcome-based metrics across the Executive Branch.
- Development of the Balanced Workforce Strategy in FY 2010 to achieve the appropriate mix of federal employees and contractors to accomplish the Department’s mission. The strategy consists of a three-step, repeatable risk analysis process: 1) identify the work; 2) conduct the analysis; and 3) implement the sourcing decision. In 2013, DHS deployed the Balanced Workforce Assessment Tool (BWAT) to analyze proposed requirements for services/re-competed work functions, and in FY 2014 mandated that it be used Department-wide. The BWAT is used to inform workforce and acquisition capacity planning by providing:
  - sourcing recommendations that can be applied to mitigate risk to DHS’s mission(s);
  - standardized Department-wide cost methodology and practices; and
  - informed and consistent Departmental reporting.
- The CyberSkills Management Support Initiative (CMSI) continues to address capacity risk in building the cybersecurity workforce. CMSI works with cybersecurity program managers and human capital experts to develop Department-wide policies and programs to enhance the DHS cybersecurity workforce.
- The Border Patrol Agent Pay Reform Act of 2014<sup>15</sup> granted the Secretary additional flexibility with regard to hiring and compensation for cybersecurity positions, while also instructing the Department to increase its cybersecurity workforce analysis and planning efforts. DHS leadership and OCHCO reassessed capacity needs and relevant risks, considering the expanding role for OCHCO’s cyber workforce program. Through the DHS budget process, OCHCO obtained funding in FY 2016 for permanent personnel and contract support for implementing legislative provisions.

**Information Technology Management.** Information technology (IT) plays a critical role in all DHS mission areas. In assessing capacity and resolving risk, the IT workforce and DHS cybersecurity are priorities for the Chief Information Officer (CIO) and the information technology community at large. Examples of DHS building capacity to resolve risks include:

<sup>15</sup> Border Patrol Agent Pay Reform Act of 2014, Public Law No. 113-277, 113<sup>th</sup> Congress, December 18, 2014.



- Shifted the paradigm from service provider to service consultant to better anticipate future IT and cybersecurity requirements, as well as respond to current IT and cybersecurity challenges. With this focus, DHS guards against program delivery risks and issues.
- Deployed a risk-informed model to prioritize funding requests for the tools and staffing support needed to address the most critical vulnerabilities and technology gaps for internal cybersecurity. This risk-based methodology was used to demonstrate the areas of critical vulnerabilities across the Components, and to secure funding to deliver the mission-critical cyber security tools to the Department. As a result of data from this model, Congress appropriated \$100M above the combined FY 2016 Departmental OCIO budget request, to improve the Department's cybersecurity posture. The risk-based model is being adapted by OMB for use by departments and agencies across the Executive Branch.
- Performed two reviews to assist in developing the FY 2018 budget request for cybersecurity. First, DHS refreshed its Cybersecurity maturity model results and selected the next group of critical gaps requiring resolution. Second, during an examination of both DHS and public U.S. Government incidents, DHS CIO identified needed incident-response and cyber hygiene program improvements. As a result, DHS added staff and technology improvements so that current and planned efforts would not be compromised. All of these efforts are designed to make DHS more resilient to cyber breaches and other future challenges.
- Realigned the Office of the Chief Information Security Officer (OCISO) to support transformation, increase capacity, and reduce unintended redundancies. This included:
  - Conducted a staffing study, leveraging the analytical expertise from OCHCO.
  - Established two deputy CIOs—one focusing on operational issues and the other on forward-leaning policies and processes.
    - The Principal Deputy will ensure that programs and selected investments are aligned with the DHS IT strategy and the Homeland Security Enterprise Architecture to ensure unified, efficient, and effective use of resources as IT capabilities are built and enhanced.
    - The second Deputy CIO will have full responsibility over IT operations and service delivery, with the goal of improved procurement and delivery of IT services that ultimately support successful mission operations across the Department.
  - Recruited an industry leader as Chief Technology Officer to engineer the digital transformation of DHS.
  - Formed a DHS Digital Services team to actively pursue innovative, secure, agile, mission-focused technology solutions across DHS, while ensuring appropriate oversight.
  - Created the Workforce Engagement Office to identify and alleviate workforce development and retention issues and manage IT human capital planning.
- Identified Department-wide vacancies in specialized areas in IT, including cybersecurity specialists, software engineers, designers, product managers, and IT specialists, and exercised hiring authorities to quickly fill vacancies, in collaboration with OCHCO, the DHS Chief Security Officer, and Components.
- Awarded a workforce planning contract in July 2016 to conduct a gap analysis and develop employee development, retention programs, and practices for the IT workforce.
- Implemented DHS IT Acquisitions Agile Pilots to target acquisition process improvements that facilitate increased customer value, accountability and oversight, faster time-to-market, and reduced cost and risk, and issued a DHS instruction to ensure continued active and robust oversight as part of the Acquisition Lifecycle Framework.

**Acquisition Management.** The Office of Program Accountability and Risk Management (PARM) serves as the USM's central acquisition oversight and risk management function. PARM ensures that major acquisition programs comply with performance standards, promulgates clear department-wide acquisition policy, and ensures that Component structures and staffing levels are sufficient to effectively manage programs. In October 2013, new PARM leadership took a fresh look at the organizational structure, acquisition oversight processes, and staffing, resulting in more robust acquisition management. In recent years, PARM has:



- Worked closely with Components to ensure that all documentation (e.g., Mission Needs Statements, Operational Requirements Documents, etc.) is current and accurate. Current policy states that no major program can move to the next phase of the acquisition process without approved acquisition documentation. Given the significant improvements made in the areas of policy compliance and the ability to understand the cost, schedule, and performance parameters for these programs, the Department is now applying lessons learned to non-major (Level 3) programs,<sup>16</sup> in addition to major acquisition programs.
- Institutionalized a staffing model that is now used by Component Acquisition Executives (CAEs) to develop staffing plans. The staffing plans identify staffing gaps and mitigation strategies to close identified gaps. PARM is continuing to monitor critical gaps quarterly through the CAE. ARBs review program staffing as well, to ensure this progress is further sustained. When shortfalls are identified, the Chief Acquisition Officer (CAO) directs PARM to conduct “deep dive” reviews and make recommendations for structuring the program and mitigating critical gaps. Additionally, the ARB assesses staffing at all major program reviews.
- Strengthened the CAE structure through the development of CAE policy and a CAE nomination and approval process to ensure CAEs are qualified and have defined responsibilities, and instituted quarterly CAE Councils and Staff Forums to share best practices and standards across DHS.
- Implemented an Acquisition Program Health Assessment (APHA), which is used to provide early identification of critical issues within major acquisition programs. This tool is used to support monthly high-visibility program review meetings with all ARB members.

In conclusion, DHS believes there is sufficient evidence to justify strong consideration for a rating of “Met” for the Capacity criterion. The Department has a sound methodology to assess capacity needs and allocate resources as needed to meet evolving requirements.

Section II of this chapter highlights the Department’s advances in meeting the “Demonstrated Progress” criterion.

## II. Demonstrated Progress

Demonstrated Progress is the second criterion on which GAO rates the Department “Partially Met.” In considering how to rate agencies on this Criterion, GAO looks at actions such as:

- Implementing recommendations;
- Using data to show action on plan implementation;
- Showing high-risk issues are being effectively managed and root causes are being addressed; and
- Taking actions to ensure progress (or improvements) are sustained.<sup>17</sup>

Figure 4 shows steady improvement in addressing the 30 GAO Outcomes since publication of GAO’s 2013 *High-Risk Series* update.<sup>18</sup> DHS has more than doubled the number of Outcomes rated “Mostly Addressed” or “Fully Addressed” by GAO from 8 to 17 while reducing the number of Outcomes rated “Initiated” or “Partially Addressed” from 23 to 13. Through this update, DHS assesses that 22 of the 30 Outcomes are mostly or fully addressed as of August 2016 (see Chapter 3). By December 2016, the Department projects that it will have completed the required actions to mostly or fully address as many as 26 GAO Outcomes.

<sup>16</sup> Acquisition programs with a lifecycle cost-value of less than \$300 million.

<sup>17</sup> GAO, *Addressing High-Risk Issues*, page 4.

<sup>18</sup> GAO, *High-Risk Series*, page 166.

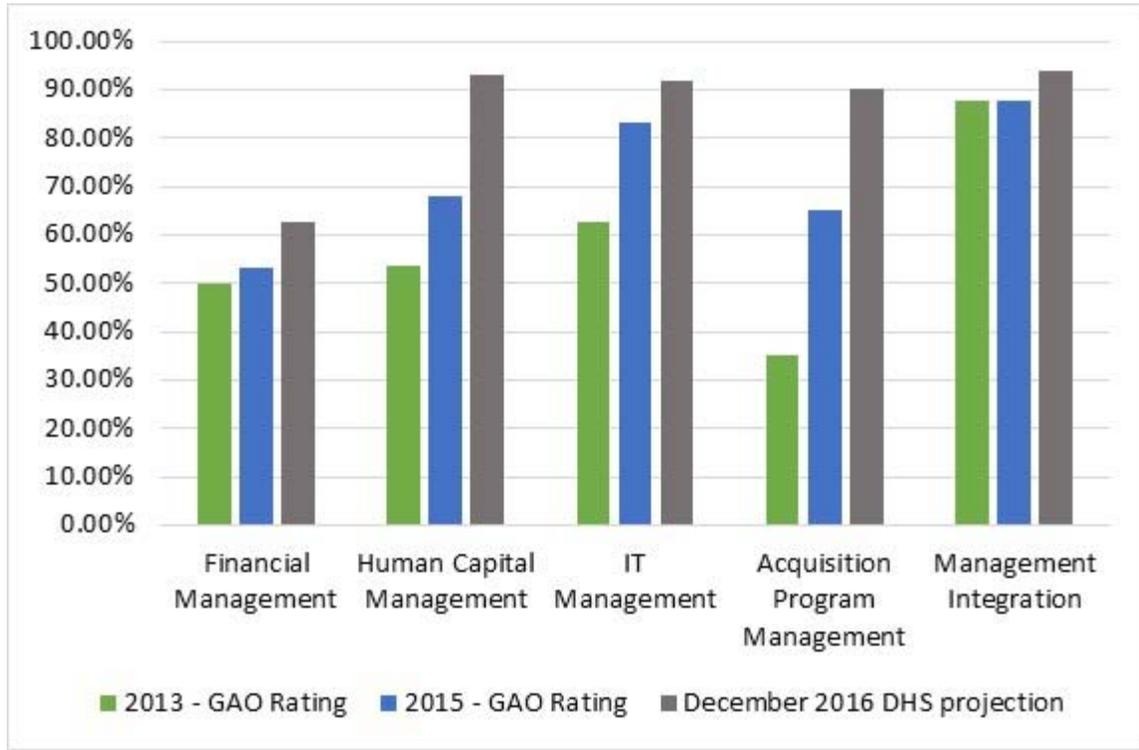


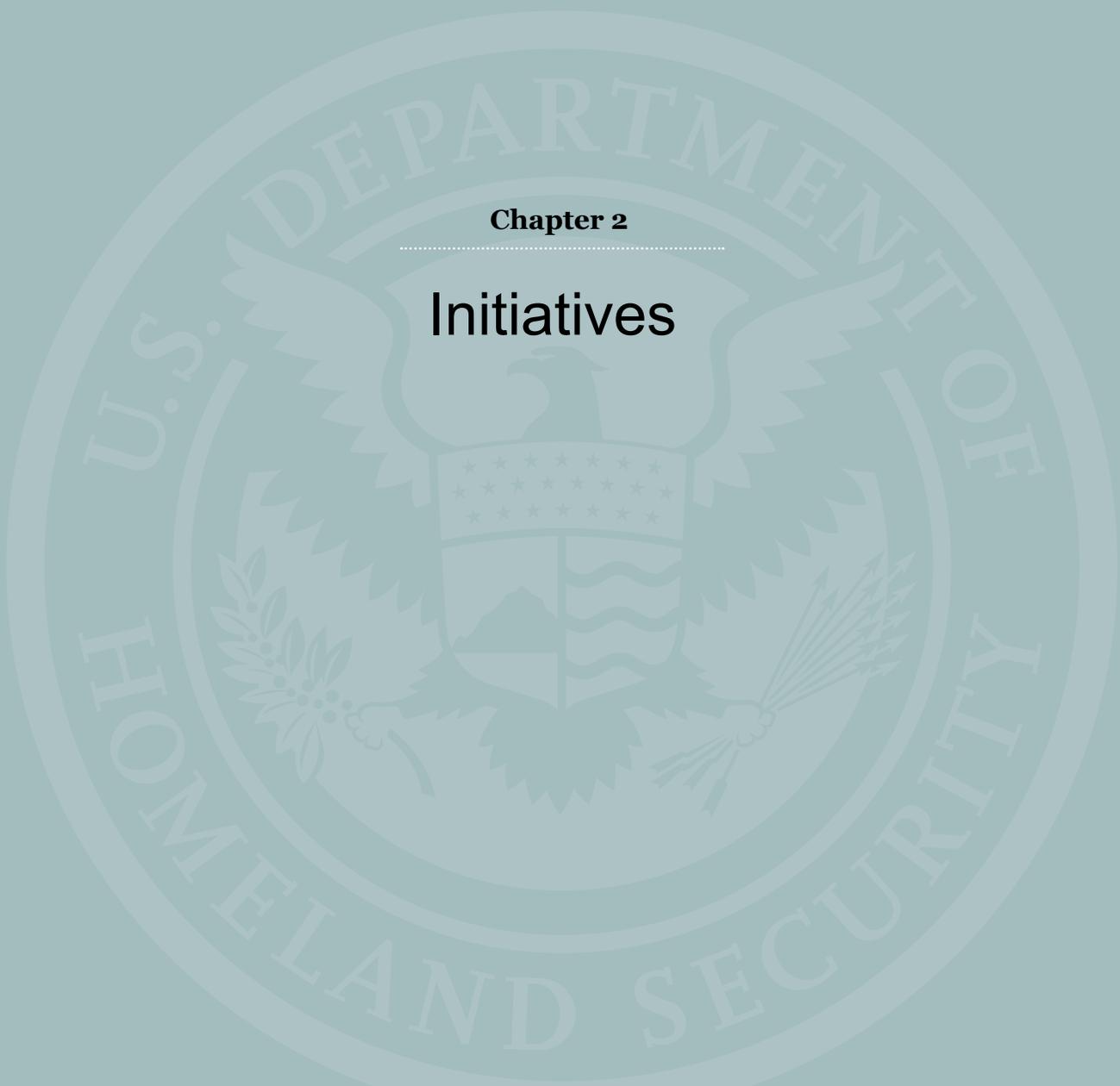
Figure 4. Outcome Ratings – GAO 2013 and 2015, and DHS projected December 2016<sup>19</sup>

The Department continues to implement GAO’s recommendations (e.g., reinstated the Joint Requirements Council);<sup>20</sup> monitor *Integrated Strategy* performance measures and Integrated Priority milestones; develop and execute corrective action plans that address root causes; and ensure progress is sustained. The Department’s leadership specifically tracks progress on management priorities, including GAO high-risk issues.

Chapter 2 provides a more in-depth analysis of 11 specific initiatives and their role in addressing the high-risk criteria.

<sup>19</sup> Outcome scores are a percentage indicating the progress toward all ratings being “Fully Addressed.” Outcome scores were calculated by assigning each rating a numerical value (Fully Addressed = 4, Mostly Addressed = 3, Partially Addressed = 2, Initiated = 1). The values for each functional area were added together and then divided by the maximum possible value for each functional area (i.e., the value if all Outcomes for that functional area were rated “Fully Addressed”—or the 100% score.)

<sup>20</sup> GAO, *Department of Homeland Security: Billions Invested in Major Programs Lack Appropriate Oversight*, November 2008, page 32.



**Chapter 2**

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# Initiatives



**Chapter 2**

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# Initiatives



**Introduction**

The 11 initiatives discussed in this chapter serve as the foundation for DHS to address each of GAO’s 30 Outcomes (see Chapter 3). They also inform the Department’s root cause analysis (see Appendix A). In the January 2016 *Integrated Strategy*, DHS assessed that it had met each of the GAO criteria depicted in Table 1, based on resolving previously identified resource shortfalls in two initiatives: IT Human Capital Management and Acquisition Program Management. This remains the case.

*Table 1. Summary of Initiative Progress toward Meeting High-Risk Criteria*

 <b>Leadership Commitment</b>	 <b>Capacity</b>	 <b>Corrective Action Plan</b>	 <b>Monitoring</b>
<b>Criteria (Yes/No)</b>	<b>Criteria (Yes/No)</b>	<b>Criteria (Yes/No)</b>	<b>Criteria (Yes/No)</b>
<input checked="" type="checkbox"/> Senior Departmental leadership (e.g., Under Secretary, Deputy Secretary) actively monitor progress on a regular basis	<input checked="" type="checkbox"/> A resource needs assessment (e.g., people, funding, etc.) has been conducted	<input checked="" type="checkbox"/> The corrective action plan is likely to achieve organizational outcomes	<input checked="" type="checkbox"/> Governance and program/ project review processes are established and are an integral part of performance monitoring
<input checked="" type="checkbox"/> The initiative is documented in the Executive Lead’s performance plans	<input checked="" type="checkbox"/> Sufficient resources and staff are committed to the initiative	<input checked="" type="checkbox"/> The goals for each activity are measurable and have defined milestones	<input checked="" type="checkbox"/> Goal progress is proactively managed wherein progress is measured. Failure to achieve plan goals is rapidly remediated.
<input checked="" type="checkbox"/> The Initiative Lead (Manager) is assigned and his/her performance plan includes specific actions to achieve most favorable outcome	<input checked="" type="checkbox"/> Critical resource (e.g., staff and funding) shortfalls are identified and communicated to higher leadership	<input checked="" type="checkbox"/> Program project risks specifically identified and addressed	<input checked="" type="checkbox"/> An integrated master schedule that documents, at a minimum, schedule, milestones, inter-dependencies and progress is developed and maintained

The fifth high-risk criterion, Demonstrated Progress, is reflected in key measures that are shown within each initiative. In this update, each initiative also contains an expanded section outlining its capacity to resolve or mitigate risk.



1. Financial Systems Modernization

**Initiative Lead:** Jeffrey Bobich  
**Executive Lead:** Chip Fulghum

I. Initiative Objective

The Department’s overall approach to financial systems modernization includes the following actions:

- Assess and document the current state of Component financial systems.
- Identify barriers to standardizing financial management practices, relevant to the financial systems.
- Strengthen financial data collection, analysis, and reporting capability for DHS-wide financial data.
- Create and implement a governance and oversight infrastructure.
- Modernize financial management systems for DHS Components.

DHS launched the Financial Systems Modernization (FSM) initiative to expand business intelligence capabilities and modernize essential financial systems. Specific modernization efforts are planned and executed to meet key financial management requirements—as defined by the DHS Chief Financial Officer (CFO), Components, and the Department of Treasury’s Office of Financial Innovation and Transformation. The primary goals are to minimize investments in duplicative systems, meet federal guidance, and deliver financial management information to support the Department’s mission. This approach conforms to guidance from the Office of Management and Budget (OMB) to use shared services where possible, and to split modernization projects into smaller, simpler segments with clear deliverables.

Following from this approach, DHS has prioritized essential system modernizations for the Components with the highest business need.

This initiative supports the following Outcomes:

- Management Integration: 1 – 4
- Financial Management: 5 – 8

II. Demonstrated Progress



Figure 5. Financial Systems Modernization – Demonstrated Progress Against High-Risk Criteria



### Key Measures – Definitions and Progress Made

#### **Key Measure #1: Percentage of Key Financial Management Positions Filled**

This measure monitors the key personnel positions in active financial system major upgrade or replacement projects that are filled each quarter.

As of August 2016, the Office of the Chief Financial Officer (OCFO) has filled 80% of identified key personnel positions (20 of 25 positions). This number includes federal employees and contractors, whereas the percentage from 2015 included only federal employees. Although OCFO recently lost personnel, recruiting is underway to fill these positions through hiring and details from Components.

#### **Key Measure #2: Percentage of FSM Projects Delivering Core Accounting Functions (within 18 – 24 months of initiation)**

This measure monitors financial management system modernization projects that deliver planned core accounting functionality within 18 to 24 months of project initiation.

As of August 2016, 100% of financial management modernization projects have delivered or are on track to deliver core accounting functions within 18 to 24 months of initiation. The five relevant Components (i.e., Domestic Nuclear Detention Office, Federal Emergency Management Agency, Federal Law Enforcement Training Centers, Transportation Security Administration and U.S. Secret Service) deliver core accounting functions within 18 to 24 months based on their individual integrated master schedule. The U.S. Coast Guard's implementation is being monitored separately, as the timeline from project initiation exceeds 24 months. This is due to the size and complexity of the Coast Guard and the level of effort required to successfully deliver an auditable solution, re-engineered business processes, and a trained workforce. This measure will continue to evolve as current modernization projects progress and new ones are initiated.

#### **Key Measure #3: Percentage of FSM Projects Meeting Standards (Standard Operating Procedures)**

This measure monitors financial management system modernization projects that meet the Department's established Standard Operating Procedures.

As of August 2016, the Department is working closely with Components implementing financial management system modernization projects to ensure planned activities meet Department standards before any funds are expended. Therefore, the current value is 100%. This measure will continue to evolve as other Components begin modernization projects.

### **III. Capacity to Resolve Risk**

- FSM is a priority established by both OMB and the Department. The Department has prioritized FSM as a "Level 2 special interest" investment on the Master Acquisition Oversight List, and has programmed significant resources through the Department's Planning, Programming, Budgeting, and Execution (PPBE) process, which includes the development of a five-year plan with the annual budget. As part of this, FSM develops a Program Decision Option document (pre-decisional) annually, which presents a five-year plan for the program and identifies outcomes associated with the requested funding. Each year, the funding profile is expected to adhere to the five-year plan. Year over year, Congress has continued to prioritize and fund FSM.
- The DHS CFO chairs the FSM Executive Steering Committee and reviews and recommends the prioritization, scope, and timing of the Component modernization plans based upon adherence to strategic direction and goals. In this role, the CFO:
  - Works closely with Components, reviewing project management office staffing plans to ensure that Components have the capacity to manage the effort.
  - Promulgates staffing best practices to Components, and builds staffing plans and resource requests.
  - Resolves escalated cross-functional issues and risks.
  - Creates and promulgates DHS financial management system policy and standards, ensuring that DHS policy and standards evolve for effective governance of financial management systems.



- Coordinates with the Department of the Interior – Interior Business Center to ensure sufficient resources are available to support DHS Components that are migrating to that solution.
- The Director of Financial Management serves as the Modernization Manager, provides executive leadership over FSM activities, and manages the day-to-day governance, oversight, and support of Component financial system modernization.
- The Financial Management Working Group supports financial management and compliance. The Financial Management Working Group consists of financial subject matter experts, is policy- and process-focused, and its members share best practices and identify common solutions.
- Components determine resource needs for FSM initiatives and commit sufficient resources to ensure success. Each Component undertaking a modernization is required to establish a program management office, led by a certified program manager. The program management office is responsible for ensuring that the Component complies with all requirements of the DHS Acquisition Management Directive and provides adequate and appropriate resources for each phase of the project.
- The FSM team works closely with Components, as well as with selected shared service providers, to ensure sufficient capacity by regularly assessing staff resources for the current planning activities, governance, and oversight regarding the financial systems improvement and modernization initiative. The team reviews lifecycle cost estimates and market research that Components develop prior to beginning modernization projects. Identified resource needs are communicated to higher leadership to ensure that Components have sufficient resources to achieve their objectives.
- The Department works closely with the Department of Treasury’s Office of Financial Innovation and Transformation, through the Federal Agency Migration Evaluation process. DHS coordinates FSM efforts through OMB and the General Service Administration’s Unified Shared Services Management (USSM) office. USSM also works with OMB to ensure that federal shared service providers have the capacity and resources to support their customers, and requires agencies seeking to become federal shared service providers to go through a rigorous approval process. Additionally, USSM has established a tollgate process which requires customers and service providers to meet exit criteria to USSM’s satisfaction before progressing to the next phase.
- In 2011, DHS established the Financial Management Systems Branch (FMSB), reallocating resources with expertise in financial management, internal control, cost estimating, performance measurement, risk management, organizational change, and communications. The FMSB is responsible for governance and oversight of Component financial management initiatives to ensure that Department needs are met.
- The Business Management and Transformation Team works with Components to implement a common line of accounting, establish and maintain data quality standards, and support oversight and approval for proposed efforts for financial system upgrade or replacement projects.
- The DHS Office of Program Accountability and Risk Management requires all FSM initiatives provide a resource plan prior to Acquisition Decision Event-2B. Additionally, a resource plan is required in the Program Management Plan with each Component FSM initiative, per the DHS system engineering lifecycle methodology. This plan will account for current personnel needs and future resource requirements to successfully complete the program.



**2. Financial Management and Controls**

**Initiative Lead:** Will White  
**Executive Lead:** Chip Fulghum

**I. Initiative Objective**

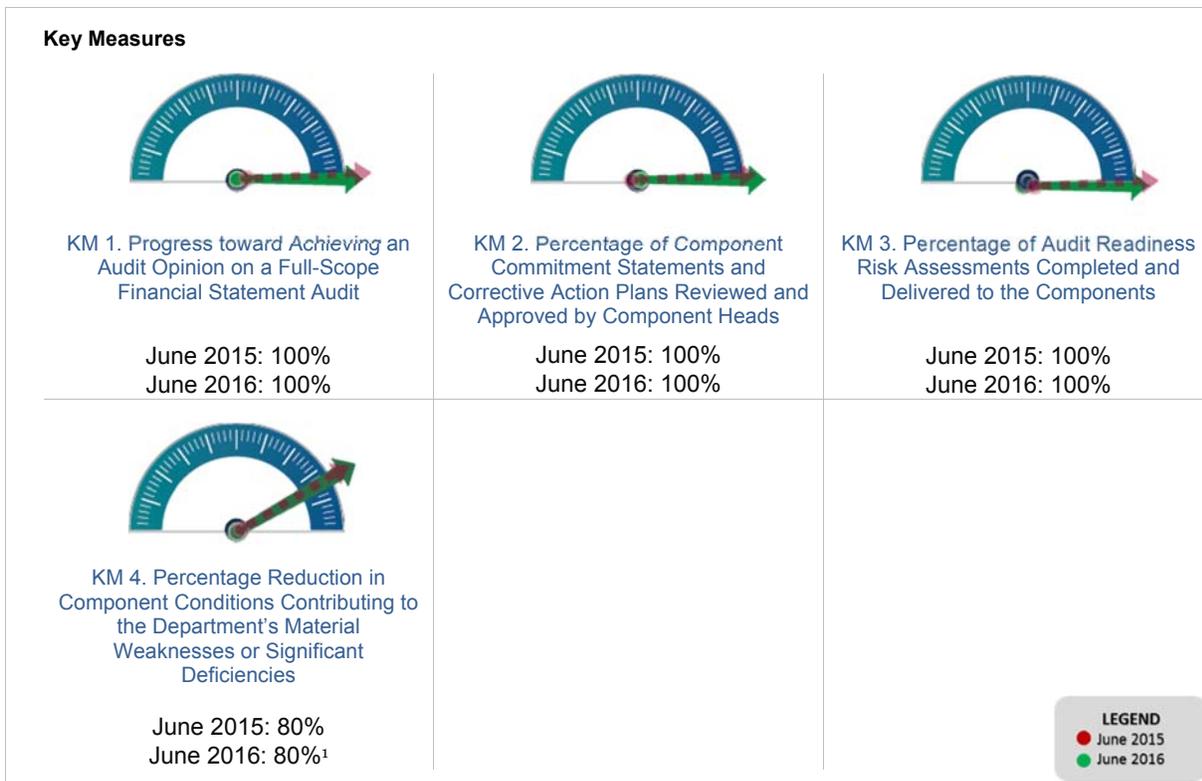
This initiative focuses on strengthening and standardizing financial management throughout the Department to sustain a clean audit, achieve and sustain a clean opinion on Internal Control over Financial Reporting (ICOFR), and comply with the Federal Financial Management Improvement Act of 1996 and the DHS Financial Accountability Act of 2004. DHS achieved its first unmodified (clean) audit opinion on all FY 2013 financial statements and has continued to earn a clean audit opinion every succeeding year. In addition to this significant accomplishment, the Department is also working to obtain consecutive independent clean audit opinions and an unqualified (clean) audit opinion on ICOFR.

The DHS Chief Financial Officer (CFO) is executing an aggressive risk-based approach to audit remediation, working closely with Components to sustain prior-year successes and mitigate the risk of new material weaknesses or audit qualifications. All Component heads have committed to addressing any known material weaknesses, significant deficiencies/reportable conditions, or any other internal control deficiencies that could impact the sustainment of a clean opinion on a full-scope financial statement audit.

This initiative supports the following Outcomes:

- Management Integration: 1 – 4
- Financial Management: 1 – 4

**II. Demonstrated Progress**



*Figure 6. Financial Management and Controls – Demonstrated Progress Against High-Risk Criteria*

<sup>1</sup> This is FY 2015 data. Data for this measure is only available once per year when audit results are released.



## Key Measures – Definitions and Progress Made

### **Key Measure #1: Progress toward Achieving an Audit Opinion on a Full-Scope Financial Statement Audit**

This measure demonstrates increases in auditability and accountability of Department resources through the effective implementation of risk management activities, corrective action plans, and audit remediation strategies.

In 2012, DHS expanded the scope of the audit to include all financial statements. DHS has continued to earn and sustain an unmodified (clean) opinion since the FY 2013 financial statement audit.

### **Key Measure #2: Percentage of Component Commitment Statements and Corrective Action Plans Reviewed and Approved by Component Heads**

This measure monitors progress on the completion and approval of Component head annual commitment statements and corrective action plans with specific priority on material weaknesses.

To ensure continued top management commitment, DHS obtained approved corrective action plans and Component head commitment statements from all Components again for FY 2016 (100%). As part of the Department's kickoff for the annual audit, the Deputy Secretary issues guidance to all Components, demonstrating the importance that leadership places on internal controls and financial statements.

### **Key Measure #3: Percentage of Audit Readiness Risk Assessments Completed and Delivered to the Components**

This measure monitors progress toward completion of annual audit readiness risk assessments identifying potential risks related to a full-scope financial statement audit.

For FY 2016, DHS obtained audit risk assessments for all Components, conducted a detailed risk analysis that was vetted with DHS CFO and Component CFOs, and delivered results to Components (100%).

### **Key Measure #4: Percentage Reduction in Component Conditions Contributing to the Department's Material Weaknesses or Significant Deficiencies**

This measure monitors progress toward remediating deficiency conditions through effective implementation of corrective action plans. Data is available annually, when audit results are released.

Measuring from FY 2006, DHS reduced Component conditions contributing to Department material weaknesses from 25 to 5 (80%) in FY 2015, and is working to further reduce these conditions in FY 2016. These conditions increased in FY 2015 from FY 2014 by three, most of which were part of the IT material weakness. Due to the increased government-wide emphasis on cyber security, in FY 2015 the auditors expanded the number of systems subject to testing and the scope of system controls testing. The DHS CFO and Chief Information Officer (CIO) have partnered to mitigate these issues. The CFO and CIO are working closely with Component leaders to address the identified issues and put processes in place to identify future risks and strengthen controls over systems that feed into the financial statements.

## **III. Capacity to Resolve Risk**

- DHS views capacity for the purposes of successfully achieving unqualified opinions on the DHS audited financial statements and ICOFR, including the remediation of identified weaknesses, as having sufficient trained federal and contractor resources to remediate known deficiencies and implement corrective actions to prevent further deficiencies. DHS addresses capacity needs as follows:
  - DHS CFO has implemented a monitoring strategy that requires Components to identify resources to execute the continuous monitoring of the ICOFR strategy in FY 2016 and beyond. As part of this risk-based approach, Components are testing controls over high-risk processes, while continuing to fix audit issues. This allows Components to identify risks beyond what is identified by auditors and fix them before they become an audit issue. DHS has also developed an Internal Control Maturity Model for both financial and IT to help track Components' progress. The Model will help to drive OCFO's Risk Management and Assurance Division's (RM&A's) audit plan for FY 2017.



- Components with identified deficiencies (i.e., notice of finding and recommendation) prepared Mission Action Plans (MAPs) identifying required resources and planned milestones. The initial MAPs were reviewed by RM&A to ensure sufficient resources were identified. Further, these MAPs are closely monitored throughout the year.
- RM&A meets bi-weekly with the Deputy Under Secretary for Management (DUSM)/CFO to identify progress and risks associated with achieving milestones as well as risks associated with any delays, including resource needs. As remediation actions take place, additional actions may be determined and prioritized, necessitating a change in the resource mix.
- To address specific subject matter expertise or remediation-specific surge resource needs (identified in the execution of remediation activities), RM&A and the Financial Management Division have provided additional contractor resources as needed to support Component-specific remediation actions. For example, additional resources were provided to the U.S. Coast Guard to remediate their Property, Plant, and Equipment material weakness and to the National Protection and Programs Directorate to assist in addressing Financial Reporting.
- Together, the DHS CFO and CIO Councils meet monthly to discuss remediation progress, identify any critical delays, and discuss any resource deficiencies.
- To identify overall capacity and training needs for the Office of the Chief Financial Officer and provide additional capacity by matrixing existing resources, the CFO conducted organizational reviews of the Financial Management Division and RM&A. This ensured the right mix of trained, qualified, and certified resources to achieve and sustain robust and repeatable financial management and related system processes. The Deputy CFO meets regularly with peer organizations (e.g., government-wide CFO Council) to discuss best practices for staffing, training, and resource requirements.
- DHS has continued its progress since earning a clean full-scope audit opinion in FY 2013, demonstrating the Department's commitment to audit and internal controls. To ensure sustained progress in this area:
  - Structures and processes have been established for DHS Headquarters leaders to meet regularly with Component leaders. This allows leadership to continuously gauge progress in remediating audit issues, discuss newly identified risks, and address resource concerns, including by providing resources to Components as needed.
  - The audit is established as a DHS business practice and is the subject of a great deal of Congressional interest. As the DHS audit process has evolved, leadership has demonstrated the capacity necessary to establish robust, repeatable business processes, and the ability to reallocate resources as required.



### 3. Implementing the Human Capital Strategic Plan

**Initiative Lead:** Roland Edwards

**Executive Lead:** Angela Bailey

#### I. Initiative Objective

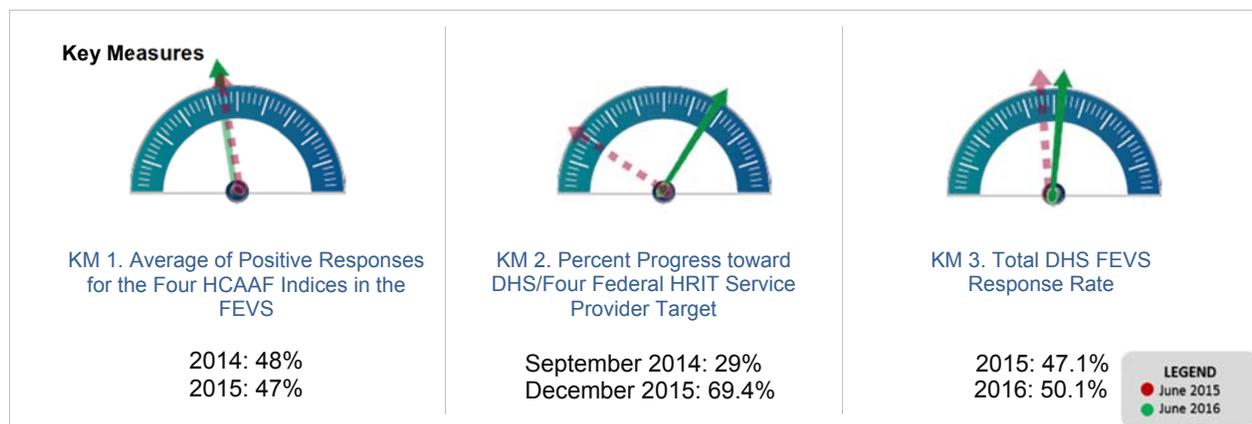
The FY 2015 – 2019 DHS Human Capital Strategic Plan (HCSP) includes an annual Operational Plan addendum outlining activities and measures that support each goal. The strategic planning framework is structured to ensure a continuous planning process and sustained progress toward accomplishing the human capital mission. It also supports forward-looking goals and objectives that provide human capital solutions to the Department’s business needs. At the same time, the annual Operational Plan is adaptable and flexible, enabling DHS to focus annual priorities on the human capital solutions.

Implementation of the DHS HCSP involves ensuring mission readiness by building an effective leadership cadre, retaining an engaged workforce, recruiting highly skilled and diverse personnel, ensuring the appropriate balance of federal employees and contractors, and using strategic human capital interventions to target and close skills gaps in order to ensure mission readiness. The HCSP is integrated with and supported by the comprehensive FY 2015 – 2018 DHS IT Strategic Plan, which establishes the principle of “People First” and sets forth Goal 1, “People and Culture – Attract and develop an engaged and skillful IT workforce to ensure long-term mission success.”

This initiative supports the following Outcomes:

- Management Integration: 1 – 4
- Human Capital Management: 1 – 7

#### II. Demonstrated Progress



*Figure 7. Human Capital Strategic Plan – Demonstrated Progress Against High-Risk Criteria*

#### Key Measures – Definitions and Progress Made

##### **Key Measure #1: Average of Positive Responses for Four Human Capital Assessment and Accountability Framework Indices in the Federal Employee Viewpoint Survey**

This is an annual score reported to DHS by the Office of Personnel Management (OPM) based on the average of the scores of four Human Capital Assessment and Accountability Framework (HCAAF) indices in the Federal Employee Viewpoint Survey (FEVS).

In 2015, the DHS score was 47%, which represented a small drop from 48% in 2014.



### **Key Measure #2: Percentage Progress toward DHS/Federal Human Resources Information Technology Service Provider Target**

In accordance with the approved FY 2012 – 2016 Human Resources Information Technology (HRIT) Strategic Plan, this measure depicts the target orientation for service delivery that shifts from being predominately Component-driven to DHS- and Federal Government-wide. The measure tracks the percent of HRIT services that are provided at the departmental or federal level.

After exceeding the original target of 65%, the new target is to have 80% of HRIT services provided at the DHS or federal level with the remainder provided at the Component level.

### **Key Measure #3: Total DHS FEVS Response Rate**

Of the DHS employees who received the invitation to participate in the FEVS, this is the total percentage of employees who actually took the survey.

In 2015, the response rate was 47.1%. In 2016, the response rate increased to 50.1%, which is higher than the government-wide rate of 45.8%. The response rate rose across DHS (except for one Component).

### **III. Capacity to Resolve Risk**

- The Office of the Chief Human Capital Officer (OCHCO) and the DHS-wide Human Capital Leadership Council (HCLC) ensure that sufficient capacity exists to resolve risks and oversee the development and implementation of the HCSP. This group operates as follows:
  - On an annual basis, using input from a variety of stakeholders, OCHCO and the HCLC develop annual operational plans to support the implementation of the HCSP. The plans and accompanying standard operating procedures align with ongoing initiatives and support them with the added rigor of implementation tactics, success indicators, and putting into place the necessary staff and structures to lead implementation (see Table 2). OCHCO held its annual HCLC offsite in August 2016 to develop tactics and success indicators for the four FY 2017 Operating Plan goals.
  - DHS ensures sustained capacity for the implementation of the HCSP through working groups, (including staff from OCHCO and Components) which align to each strategic goal. The tactics and success indicators defined in the annual operational plan allow the HCLC to conduct in-progress performance reviews and, if necessary, augment working groups to ensure objectives are met.
  - The Chief Human Capital Officer meets regularly with the Management senior leadership team, including the Under Secretary for Management, to discuss key initiatives and assess capacity.
- In FY 2015, a Deputy's Management Action Group-sponsored study determined the need for enhanced position management linked to budget and for Department-wide staffing requirement models that better inform hiring efforts and improve resource deployment and management. The Deputy's Management Action Group acknowledged a resource gap in establishing these human capital-related capabilities. Teams from the Office of the Chief Financial Officer (OCFO) and OCHCO collaborated to benchmark resource requirements to meet this need and develop an action plan and resources proposal. The proposal was approved at a joint HCLC and Chief Financial Officer Council meeting and later submitted through the budget process (Program Decision Option). The Program Decision Option resulted in a budget enhancement, including full-time equivalents for FY 2017. To address the capacity gap for FY 2016 and launch the effort for near-term results, OCHCO and OCFO established a team of detailees from operational Components. The team has already developed a concept of operations, identified policy needs, and assessed Component position management system capabilities and requirements.
- In FY 2016, faced with federal and private-sector competition for cybersecurity professionals, DHS leveraged the collective capacity of the human capital, personnel security, and IT communities to hold a DHS Cyber/Tech Fair in July 2016 to build the cybersecurity and IT workforce at DHS. DHS hiring managers conducted close to 800 interviews and made 205 on-the-spot job offers, filling more than 66% of targeted vacancies as a result of this two-day DHS-wide event.



- Additional examples that demonstrate the Department’s capacity to resolve risk include:
  - Centralizing the human capital data analytics function in OCHCO. Through this function, DHS realized improvements in reporting and analysis of workforce data and has strengthened Component collaboration on developing common definitions and standards for human capital data.
  - Appointing the Department’s first Chief Learning and Engagement Officer to elevate and ensure sustained focus on employee engagement and development.
  - Reducing time to hire in FY 2015 from 163 to 124 calendar days (a 23.9% decrease from FY 2014).
  - Leveraging the Corporate Recruiting Council to identify field-based staff to serve as points of contact for outreach and recruiting efforts across the country. As of August 2016, over 450 recruiters have been trained through the program. DHS is focused on identifying additional methods (e.g., tactics, techniques, technology) to improve recruiting effectiveness.
  - Leading training sessions for the DHS human capital community on the FY 2016 Operational Plan standard operating procedures in support of the HCSP.
  - Coordinating DHS presence at major law enforcement recruiting and outreach events to raise DHS visibility and reduce booth and travel costs across DHS where appropriate.
  - Leveraging enhanced reports from the Balanced Workforce Assessment Tool to conduct comprehensive data-driven audits of balanced workforce programs in U.S. Immigrations and Customs Enforcement, National Protection and Programs Directorate, U.S. Citizenship and Immigration Services, Federal Emergency Management Agency, Federal Law Enforcement Training Centers, and Transportation Security Administration.
  - Continuing to align resources to support effective HRIT portfolio management consistent with the priorities of the HRIT Executive Steering Committee, the cross-Component governance group for HRIT planning and investment.

*Table 2: Crosswalk of Human Capital Working Groups Supporting HCSP Goals, Integrated Priorities, and GAO Outcomes*

Human Capital Working Group	HCSP Goal <sup>2</sup>	Integrated Priorities	GAO Outcome
Workforce Planning and Strategy Working Group	Goal 1	4.2 – Efficient and effective end-to-end hiring process	HCM 1, 2 ITM 4
Corporate Recruiting Council	Goal 2	4.2 – Efficient and effective end-to-end hiring process	HCM 3 ITM 4
Employee Engagement Steering Committee	Goal 3	4.3 – Employee engagement and workforce development	HCM 5, 6 ITM 4
Performance Management Working Group	Goal 3	4.3 – Employee engagement and workforce development	HCM 4
Labor-Management Forum	Goal 3	4.3 – Employee engagement and workforce development	HCM 5
Chief Learning Officer’s Council	Goal 3	4.1 – Cybersecurity and technology workforce 4.2 – Efficient and effective end-to-end hiring process	HCM 7
Service Excellence Working Group	Goal 4	4.2 – Efficient and effective end-to-end hiring process	
HRIT Executive Steering Committee and Advisory Team	Goal 4	4.2 – Efficient and effective end-to-end hiring process	HCM 7

<sup>2</sup> Goals from the FY 2015 – 2019 DHS Human Capital Strategic Plan.



**4. IT Program Governance**

**Initiative Lead:** Carlene Iletto  
**Executive Lead:** Luke McCormack

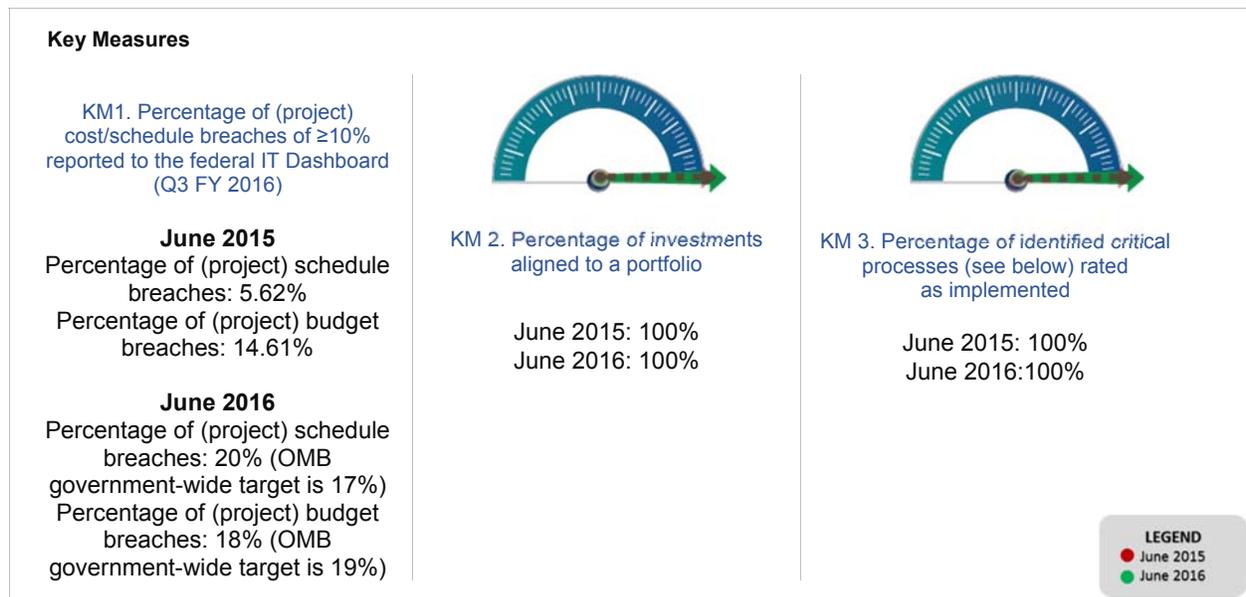
**I. Initiative Objective**

The objective of the IT Program Governance initiative is to establish and develop portfolio and program governance processes that enhance the delivery of mission capabilities, prioritize IT programs to meet Departmental business needs, eliminate duplicate functions and systems, provide investment oversight, and increase program accountability. IT program governance streamlines and integrates the investment review processes and helps determine the optimal allocation of resources across programs to achieve mission outcomes.

This initiative supports the following Outcomes:

- Management Integration: 1 – 4
- IT Management: 1 – 3, 5
- Acquisition Program Management: 1, 5

**II. Demonstrated Progress**



*Figure 8. IT Program Governance – Demonstrated Progress Against High-Risk Criteria*

Key Measures – Definitions and Progress Made

**Key Measure #1: Percentage of Cost/Schedule Breaches**

This is the percentage of cost/schedule breaches of ≥10% reported through the DHS Investment Evaluation, Submission, and Tracking System (INVEST) and fed into the Financial Innovation and Transformation (FIT) Dashboard. This measure, which monitors cost and schedule variances, aligns with the Department’s Government Performance and Results Act goals. Sustained monitoring of cost, schedule, and performance is a program management best practice and directly addresses GAO recommendations.

Projects are required to report cost and schedule variances using the monthly FIT Dashboard Update Form in INVEST. Program managers make their monthly updates to contracts, projects, activities, performance measures, and risk sections of the business cases for updates to the Office of Management



and Budget (OMB) IT Dashboard. If any update in the project/activities section turns yellow (8% variance) or red (10% or greater variance), the program manager must complete a Corrective Action Report.

- Calculations used for Projects on Schedule:

- Schedule Variance = Planned Completion Date – Actual or Projected Completion Date
- Duration = Planned Completion Date – Planned Start Date
- Schedule Variance % = (Schedule Variance / Duration) x 100
- Projects on Schedule = the total number of projects with Schedule Variance that is < 10%

- Calculations used for Projects on Budget:

- Cost Variance = Planned Total Costs – Projected or Actual Total Costs
- Cost Variance % = (Cost Variance / Planned Total Cost) x 100
- Projects on Budget = the total number of projects with Cost Variance that is < 10%

### **Key Measure #2: Percentage of Investments Aligned to a Portfolio**

Aligning investments to portfolios is a fundamental investment process to create a mature portfolio selection process.

In September 2014, all investments became aligned to a portfolio. This progress has been sustained and will continue through 2016 and beyond (100%).

### **Key Measure #3: Percentage of Identified Mature Critical Processes Implemented**

This measure identifies the steps taken toward creating and implementing mature IT investment management critical processes.

As of September 2014, all critical processes were implemented. This progress has been sustained and will continue through 2016 and beyond. GAO's Information Technology Investment Management Framework (ITIMF) Stage 3 is characterized by four processes that demonstrate a mature IT investment selection process:

- The creation and maintenance of portfolio selection criteria;
- The analysis associated with examining the merits of each IT investment in the context of the portfolio;
- The use of an Enterprise Architecture to help align IT investments with strategic objectives; and
- The grouping of similar investments together and the development of the portfolio.

## **III. Capacity to Resolve Risk**

- In order to determine whether (and ensure that) the required resources were in place to resolve risk, OCIO conducted a resource assessment for the Enterprise Business Management Office (EBMO), which oversees IT program governance. This assessment outlined the total staffing requirements, including levels required to support this initiative and the corrective action plan for the remaining related high-risk Outcome (Information Technology Management Outcome #5).<sup>3</sup>
  - EBMO has since been reorganized to remain in alignment with DHS priorities, which include addressing GAO high-risk areas.
  - EBMO also enhanced capacity for IT investment oversight support through the Requirements Engineering Center of Excellence, IT Program Management Center of Excellence, Agile Development Center of Excellence and by expanding the IT Program Management Training Track. These structures also promote integration of IT programs across the Department and connect them with subject matter experts, allowing for sharing of best practices.

<sup>3</sup> IT Management Outcomes 1-3 relate to the maturity of DHS's enterprise architecture, IT process management, and IT investment management. These outcomes have reached the specific maturity levels required by GAO and are rated as "Fully Addressed."



- DHS also demonstrates capacity by engaging in the following activities:
  - Taking a leading role at the federal level in developing competency standards for IT Project and Program Managers. These standards, in the form of the Federal Acquisition Certification for Program and Project Managers (FAC-P/PM-IT), have been implemented in DHS.
  - Operating a successful program for training and certifying IT program managers. To date DHS has conducted three one-year IT Program Manager (ITPM) Development Program Tracks to convert DHS employees managing IT programs/projects into certified program managers. The ITPM Training Program was created to provide the framework and ITPM enterprise training, as well as “hands-on” experience, to OCIO Headquarters and Component employees managing IT programs and projects who are either program management certified or pursuing the appropriate level of program manager certification with an IT focus. This initiative is governed by the revised federally mandated OMB, FAC-P/PM policy accompanied with the newly released FAC-P/PM-IT Core Plus Specialization requirement.
  - Creating the DHS Federal Information Technology Acquisition Reform Act (FITARA) Playbook and the FITARA Common baseline and plan, a deliverable to OMB regarding guidance and requirement implementation.
  - Supporting the development of the *Federated Governance Staffing Requirements Plan*. OCIO drafted the *IT Program Governance Staffing Requirements Reconciliation*, a resource needs assessment document.
  - Adopting a federated model for tiered program governance (i.e., enterprise, program, and portfolio). Within this model, resources (e.g., staffing and program support) are drawn from organizations participating in the tiered governance framework.
  - Increasing the pool of certified Acquisition program managers by accepting certifications from other viable federal certification sources.
  - Conducting rotational assignments across the Department to help certified ITPMs get the experience and qualification required to successfully manage IT programs.



## 5. IT Human Capital Management

**Initiative Lead:** Shila Cooch  
**Executive Lead:** Luke McCormack

### I. Initiative Objective

The 2011 – 2015 DHS IT Strategic Plan established a vision of DHS becoming “a world class leader in technology that provides secure, pertinent, and timely information to the right people to promote a secure America.” Consistent with this priority, Goal 4 of the plan is to “Transform the organizational health of the DHS IT community by developing an exceptional workforce that will function effectively, deliver operational excellence, and grow from within.” The 2015 – 2018 DHS IT Strategic Plan furthered this vision, establishing the principle of “People First” with Goal 1: “People and Culture – Attract and develop an engaged and skillful IT workforce to ensure long-term mission success.”

This initiative supports the following Outcomes:

- Management Integration: 1 – 4
- IT Management: 4
- Human Capital Management: 2, 3, 7

### II. Demonstrated Progress



Figure 9. IT Human Capital Management – Demonstrated Progress Against High-Risk Criteria

### Key Measures – Definitions and Progress Made

#### **Key Measure #1: Percentage of Improved Recruiting Fulfillment Metrics**

This measure comprises two areas: IT talent acquisition and branding, and IT employee development and retention.

IT talent acquisition and branding (50%). Specific activities include:

- Utilizing a cohesive, enterprise-wide model when performing IT recruitment activities such as job fairs, job announcements, speaking forums, and print media.

<sup>4</sup> Key Measures 2 and 3 were reevaluated and adapted to GAO’s changes to the outcome language for Outcome ITM#4: Implement IT Human Capital Plan. The revised GAO Outcome is: “Demonstrate progress in establishing and implementing strategic IT human capital planning goals necessary to support the Department’s IT Strategic Plan for FY 2015 – 2018.” DHS worked with GAO to change the ITM #4 desired outcome based upon DHS’s strategy to align IT human capital activities to the DHS OCHCO Human Capital Strategic Plan (2015 – 2019).

<sup>5</sup> Same as above.



- Improving the Department's ability to reach specific groups of IT applicants, such as veterans and science, technology, education, and math students.
- Coordinating and streamlining IT recruitment activities across Components to reduce duplication of effort and decrease costs.
- Identifying and cultivating relationships with college and university IT programs to develop additional sources for new hires.
- Incorporating social media technologies in IT talent acquisition.
- **Employee development and retention (50%).** Specific activities include:
  - Conducting Employee Engagement Survey Analysis to identify morale and employee development concerns.
  - Creating a career path framework to include an IT Competency Model.
  - Implementing IT Employee Recognition Program.
  - Educating IT line managers and human resource professionals on human capital practices and the use of available hiring authorities.
  - Incorporating new technology skills into employee training and individual development plans.

Related efforts in this area include:

- Working collaboratively with the Office of the Chief Human Capital Officer (OCHCO) to sustain full transparency on all Human Resource Management Services (HRMS) processes and ensure strategic alignment with Office of the Chief Information Officer's (OCIO's) recruitment initiatives.
- Conducting a workforce assessment and review of inherently governmental positions and overall vacancies and attrition rates.
- Developing hiring and recruiting strategies to address IT hiring gaps, including leadership participation in various efforts (e.g., recruitment video).
- Maximizing the appropriate use of existing hiring authorities to attract diverse and highly skilled candidates.
- Conducting training with hiring managers to increase knowledge of hiring and recruitment.
- Conducting quarterly DHS IT immersion program sessions for new employees across Components. This program is highly interactive and designed to provide new employees with a keen understanding of the complexities and collaboration opportunities that exist across the DHS IT community.

### **Key Measure #2: Percentage of 2015 – 2018 DHS IT Strategic Plan Aligned to the FY 2015 – 2019 DHS Human Capital Strategic Plan**

This measure monitors the overall execution of the Human Capital Strategic Plan (HCSP) (in alignment with the IT Strategic Plan) by Component OCIOs. It examines the number of activities undertaken by Component OCIOs to implement features of the HCSP, such as continuing the implementation of DHS's IT strategy and planning for recruitment (e.g., participating in Department-wide job fairs), focusing on employee inclusion and engagement, as well as the integration of IT competencies into Component OCIO's human resource lifecycle activities. This measure is in sustainment (100%).

### **Key Measure #3: Percentage of IT Human Capital Planning Activities Aligned to the HCSP Operational Plan**

This measure shows progress in implementing Operational Plan objectives aligned to IT human capital planning activities. Operational Plans are developed annually to guide HCSP implementation.

- Talent acquisition and branding: All activities have been implemented.
  - IT Immersion Program: Conduct a series of one-day sessions quarterly to provide new employees with a comprehensive view into the organizational complexities of DHS IT, while allowing them to network with IT professionals from other Components.
- Employee development and retention: All activities have been implemented.



- Recruiting and hiring: Activities are coordinated with OCHCO and implemented across Component OCIOs.
- Inclusion and engagement: All activities focus on continuous learning, increasing employee engagement, and increasing organizational performance. All activities are continuously monitored and assessed. This measure is in sustainment (100%).

### III. Capacity to Resolve Risk

- In 2015, building on prior reviews, OCIO conducted a staffing study and ultimately began a realignment process to better position the organization to resolve risk and realize the Department's strategic vision.
- In 2014, OCIO senior executives conducted a series of off-sites to discuss the Chief Information Officer's (CIO's) vision, how to engage with Component CIOs, and how to move from a service model to a broker model for its customers. OCIO focused on its core capabilities and functions, customers' needs, and alignment to the IT Strategic Plan and IT Business models. These efforts resulted in the need to realign OCIO to better support its customers, eliminate redundancies, align to the functionality of the IT Infrastructure Library, and support a broker model of business. The realignment created the Chief Technology Officer, the Office of the Chief Technology Officer, the Workforce Engagement Division, and the Vendor and Customer Relationship Management Office.
- DHS has also demonstrated capacity through the following:
  - Created a Workforce Engagement Office to identify and elevate workforce development and retention issues and manage IT human capital planning across the Department. The OCIO Workforce Engagement Office is collaborating with the OCHCO to sustain full transparency on all human resource management services and processes and to ensure strategic alignment with OCIO recruitment initiatives.
  - Leveraging and integrating human capital strategic planning efforts (see Initiative 3, Table 2) with OCHCO for the overall update of the FY 2015 – 2019 DHS HCSP (ongoing) by participating in the Workforce Planning Council and the DHS Corporate Recruiting Council. OCIO also collaborates with other organizations across the Department through the CIO council to implement change, strengthen Unity of Effort and ensure consistency in IT human capital activities.
  - Identified shortfalls for IT hiring and took action to fill openings faster by dedicating IT resources to OCHCO to assist with the hiring process. In addition, a workforce planning contract was awarded in July 2016 to conduct a gap analysis and enhance employee development, retention programs, and practices for the IT workforce.
  - Utilized the new Smarter IT Delivery Schedule "A" Hiring Authority to hire digital services experts. DHS was the second federal agency to take advantage of this authority and is the largest user, leveraging it to hire individuals with private sector technology experience to support high priority IT programs across the Department.
  - Recognized the mission-critical need to recruit cybersecurity and IT professionals with expertise in specific areas. As discussed in Initiative 3, the DHS human capital, information technology, and personnel security communities joined together to coordinate a highly successful job fair with participation from all DHS Components that resulted in filling 66% of targeted vacancies in two days.
  - Continues to build and sustain workforce capacity through the IT Immersion Program and the Chief Executive Officer Engagement Council. The IT Immersion Program brings together new employees from across the Department with seasoned IT leaders to learn about the complexities and opportunities for collaboration within the DHS IT community. The Chief Executive Officer Engagement Council includes workforce engagement representatives from across the management lines of business, which gather to discuss policies and address employee morale and engagement across the Department.



## 6. Information Security

**Initiative Lead:** Jeff Eisensmith  
**Executive Lead:** Luke McCormack

### I. Initiative Objective

The objective of this initiative is to enhance the security of the Department’s internal IT systems and networks by implementing strong IT security controls, periodically verifying and validating implementation of key security controls, and promptly remediating identified security control weaknesses.

This initiative supports the following Outcomes:

- Management Integration: 1 –4
- IT Management: 6

### II. Demonstrated Progress



Figure 10. Information Security – Demonstrated Progress Against High-Risk Criteria

### Key Measures – Definitions and Progress Made

#### **Key Measure #1: Percentage Reduction in Significant Financial System Security Deficiencies**

This measure ensures that significant deficiencies in financial system security are addressed and that the overall number of significant deficiencies decreases each year. It is a straightforward measure, determined by independent audit, of progress toward addressing the Department’s significant security deficiencies. The target measure is that 50% of prior-year IT control findings are closed. Percentage reduction in deficiencies increased from 35% in June 2015 to 40% in June 2016.

#### **Key Measure #2: Percentage of Headquarters and Component Organizations that Have Implemented United States Government Configuration Baseline<sup>6</sup>**

This measure monitors the implementation of United States Government Configuration Baseline (USGCB)-compliant desktop images used for all new standard desktops within DHS Component organizations. The measure tracks meaningful progress toward the goal of having USGCB-compliant desktop images for all new standard desktops issued across the Department.

<sup>6</sup> “The purpose of the *United States Government Configuration Baseline (USGCB)* initiative is to create security configuration baselines for Information Technology products widely deployed across the federal agencies. The USGCB baseline evolved from the Federal Desktop Core Configuration mandate. The USGCB is a Federal Government-wide initiative that provides guidance to agencies on what should be done to improve and maintain an effective configuration settings focusing primarily on security,” <https://usgcb.nist.gov/>. Accessed on July 15, 2016.



Every Component has implemented USGCB as the standard image for all desktop and laptop workstations, ensuring that new workstations are created with a compliant image. Overall DHS has made great progress by increasing the deployed percentage of USGCB-image workstations to 100% by upgrading legacy equipment and applications where possible and retiring them when it is not.

### **Key Measure #3: Percentage of Systems Reporting Vulnerability Scanning Results**

As of June 2015, approximately 93% of the Department's IT assets are capable of being scanned on a monthly basis. In June 2016, 99% of DHS systems (workstations, laptops and servers) were properly scanned and identified as part of the Component-level vulnerability management capability. The target is to execute vulnerability scans on at least 95% of DHS assets each month.

### **III. Capacity to Resolve Risk**

- In December 2015, the Department's Chief Information Officer and Chief Financial Officer issued a joint memorandum requiring Components to develop mission action plans and plans of actions and milestones to ensure adequate resources and commitments were identified and allotted by Components to successfully address the weaknesses identified. The required resource adjustments were made. As such, this initiative has sufficient resources to implement the identified corrective actions.
- Component Chief Information Officers and Chief Financial Officers continue to meet, at least monthly, to anticipate and identify risks, share best practices, and assess remediation status. Across the Department, DHS Components continue their efforts to improve Federal Information Security Modernization Act (FISMA) scores and bring all 12 categories of scores into compliance. For example, DHS performs quarterly FISMA updates with Component leadership to drive cybersecurity improvements and improve compliance oversight through continued data tracking, analysis, and reporting.
- DHS developed the Cyber Maturity Model to identify the areas that require strengthening in order to improve cybersecurity across the Department. The model allows management to assess the Department's areas for improvement, provide a qualitative ranking, and provide a decision mechanism to support financial resource allocation. The Office of the Chief Information Security Officer used this model to request and prioritize funds for internal cybersecurity improvements. The model enabled DHS to successfully justify its FY 2016 budget request for an additional \$100 million for internal cybersecurity improvements. Additional examples of the Department's ability to be nimble in the face of evolving requirements include the approval of reallocation requests in FY 2014 and FY 2015 for funds for key IT security risks. Progress is measured against the Defense-in-Depth model.
- DHS conducted a Winter Study to evaluate the upgrades needed to refresh and sustain IT infrastructure supporting Mission Essential Systems (MES).<sup>7</sup> The study's objective was to develop a repeatable management and planning approach to protect and secure the Department's MES. The Winter Study team developed a MES scorecard to assess IT infrastructure needs. Recommendations were delivered to the Deputy's Management Action Group and included using this approach for future assessments and implementing the MES scorecard findings in the Component's FY 2018 – 2022 Program Decision Option requests.

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<sup>7</sup> Mission Essential Systems: is an information system that a Component Head determines is necessary to perform one or more of its Mission Essential Functions.



**7. Acquisition Workforce Development**

**Initiative Lead:** Clarence Stone  
**Executive Lead:** Laura Auletta

**I. Initiative Objective**

The objective of this initiative is to strengthen the DHS acquisition process by improving the acquisition workforce. This will enable the Department to field an agile, highly-skilled acquisition workforce ready to acquire and sustain the systems and services necessary to secure the homeland, while ensuring that the Department and taxpayers receive best value for expenditure of public resources. This is a top priority for continuing to improve the way the Department does business and is a central component of its transformational strategy.

This initiative supports the following Outcomes:

- Management Integration: 1 – 4
- Acquisition Program Management: 2, 4
- Human Capital Management: 2, 7

**II. Demonstrated Progress**

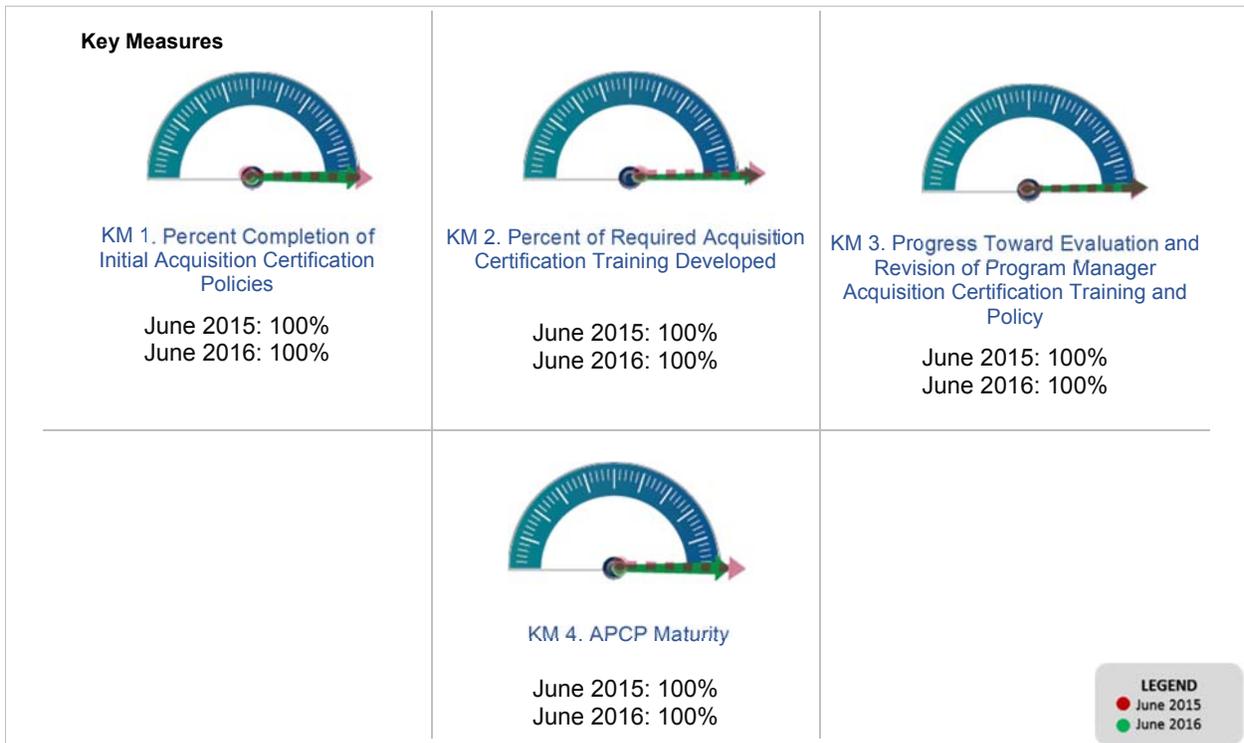


Figure 11. Acquisition Workforce Development – Demonstrated Progress Against High-Risk Criteria



## Key Measures – Definitions and Progress Made

### **Key Measure #1: Percentage Completion of Initial Acquisition Certification Policies**

This measure monitors the development, coordination, approval and implementation of nine DHS acquisition certification policies: Program Management, Contracting, Contracting Officer's Representative, Cost Estimating, Program Financial Management, Lifecycle Logistics, Test and Evaluation, Systems Engineering, and Ordering Official. Progress is measured by dividing the number of completed policies by nine (the total number of policies to be completed).

Although this measure has been completed, sustainment of trained and certified personnel is key in addressing overarching outcomes. Continued production is a good measure of maintaining that capability. In sustainment, DHS issued 2,594 acquisition certifications in FY 2015 and 1,331 in FY 2016 (Quarters 1 and 2). This measure is in sustainment (100%).

### **Key Measure #2: Percentage of Required Acquisition Certification Training Developed**

This measure monitors the progress made in developing courseware to support training competencies. A total of 60 different courses are required to support certification policies in the areas of: Cost Estimating, Program Financial Management, Lifecycle Logistics, Test and Evaluation, Systems Engineering, and Ordering Official. Certification programs in Program Management, Contracting, and Contracting Officer's Representative were already in place and are not included in this measure.

- In FY 2015 the Homeland Security Acquisition Institute (HSAI) offered 101 different courses in self-directed online, virtual instructor-led, and resident formats; delivered 300 resident or virtual instructor-led classes; graduated 7,477 DHS students from all online, virtual instructor-led, and resident classes with another 968 graduations from DHS courses by personnel from other federal agencies; and maintained a 90% overall satisfaction rating from class and event participants. HSAI has delivered classroom courses in 20 states and in the Washington Capital Region.
- In FY 2016 through Quarter 2, HSAI offered 86 different courses (self-directed online, virtual instructor-led, and resident formats), delivered 201 resident or virtual instructor-led classes; and graduated 4,784 DHS students from all online, virtual instructor-led, and resident classes with another 545 graduations from DHS courses by personnel from other federal agencies.
- Developed the Learning Café Program to include a catalog of over 40 events delivered to resident, virtual instructor-led or blended (local and remote) audiences. While a typical resident class has an approximate cost per seat of \$317, the Learning Café Program to date has costs of less than \$16 per participant. Each Learning Café event has the potential to reach up to 500 students simultaneously (vice 30 students in a resident classroom environment). By delivering specific, relevant, and timely training targeted at specific acquisition career fields with the just-in-time information important to each, the Learning Café Program allows HSAI to shorten the execution timeframe to deliver the 17 in-classroom events that would otherwise be required to train the same number of students via traditional means.

### **Key Measure #3: Progress toward Evaluation and Revision of Program Manager Acquisition Certification Training and Policy**

This measure monitors progress toward a comprehensive curriculum and policy review for the program manager career field, as well as any necessary resulting changes to the Acquisition Certification Policy.

Although there was a robust and rigorous program and policy in place, DHS re-examined the acquisition certification area as part of a continuous improvement effort. This was completed when the following four steps were completed: 1) program manager competencies were established to match evolving federal standards; 2) the curriculum was mapped to Core program manager and IT competency models; 3) the DHS Program Manager Certification Policy was revised; and 4) a plan was put in place to close any identified training gaps. Project/program management course materials and assessments were revised to more closely align with the new program manager competency model and increase the level of difficulty through more-challenging assessments and exercises. DHS reviews and updates the curriculum annually.



### **Key Measure #4: Acquisition Professional Career Program Maturity**

This measure monitors the establishment of the Acquisition Professional Career Program (APCP) and its ability to recruit, develop, and place trained and certified acquisition personnel within Component contracting and acquisition program offices.

The task will be complete when the program graduates and places cohorts of APCP participants into both contracting and acquisition program offices. Actions include designing and implementing APCP process and institutionalizing APCP process for contract specialists and for non-contracting fields. With the graduation of the first cohort of program managers and systems engineers in October 2012, this task is complete and in sustainment.

In support of this measure, the following has been accomplished:

- Sixty (60) acquisition professionals graduated from APCP in FY 2014. An additional 20 graduated in FY 2015.
- Seventy-five (75) acquisition professionals were on-boarded into the APCP in 2015 and 2016. Currently, there are 101 acquisition professionals in the program.

### **III. Capacity to Resolve Risk**

- Capacity to resolve risk in this area is assessed and demonstrated through the performance of key measures tracked through this initiative, all of which have been at 100% since September 2014.
- Sufficient resources are in place to sustain this capability. DHS has demonstrated the capacity to not only sustain its capabilities, but to increase them incrementally each year. Strategic investments in courseware, personnel and expanded facilities have resulted in the Department's ability to scale operations to provide adequate training, development, and certification to the entire acquisition workforce based on evolving needs.
- Capacity to sustain progress is demonstrated by the following accomplishments:
  - Resourced enhancements to the DHS Career Acquisition Professional System through a teaming effort with the Federal Acquisition Institute to create the Federal Acquisition Institute Training Application System (FAITAS), which is leveraged as a government-wide training solution by 35 agencies. This effort provides automated registration and tracking of training and certification to all DHS Components and other federal agencies.
  - Improved the FAITAS systems by enhancing methods to obtain user feedback, deploying modules to improve communication between students and instructors, improving the application process, and optimizing overall functionality.
  - Established working groups and maintained collaboration to better guide and streamline human capital development for acquisition functions.
  - Strengthened HSAI by means of standardized and improved communication and coordination with the acquisition workforce and other stakeholders. The establishment of the DHS Acquisition Career Managers Council led to the development of a HSAI Communications Strategy and Plan. The Acquisition Career Managers Council is designed to support Secretary Johnson's Unity of Effort initiative and is the next step in the maturation of the Department's effort to engage stakeholders in the development of policies, processes, training, and programs designed to strengthen the acquisition workforce.
  - Developed classes and certification programs focused on addressing emerging needs (e.g., technology managers).
  - Revamped the Chief Procurement Officer's (CPO) DHS-wide Executive Development Program for Acquisition Leaders. Increased the number of senior acquisition professionals participating in the popular program from 18 in FY 2014 to 35 for the FY 2016 – 2017 cohort.
  - Created the Executives Driving Government Excellence, a new mentoring program for mid-level acquisition professionals. DHS is initially targeting 50 (25 mentor/mentee pairs) for participation in the pilot.



- Launched the CPO-sponsored DHS Procurement Innovation Lab (PIL) initiative. The PIL aims to provide a safe virtual space for experimenting with innovative techniques to increase efficiencies in the procurement process and institutionalize best practices. Users are encouraged to take risks and determine whether efficiencies can be gained from combining existing flexibilities or through changes in policy. In FY 2017, the PIL will widen its scope to allow for industry input. The PIL has already been credited with multiple successes including cutting procurement lead time by more than half for a competitively awarded, multi-million dollar services contract.



**8. Acquisition Management Oversight**

**Initiative Lead:** David Patrick

**Executive Lead:** Debra Cox

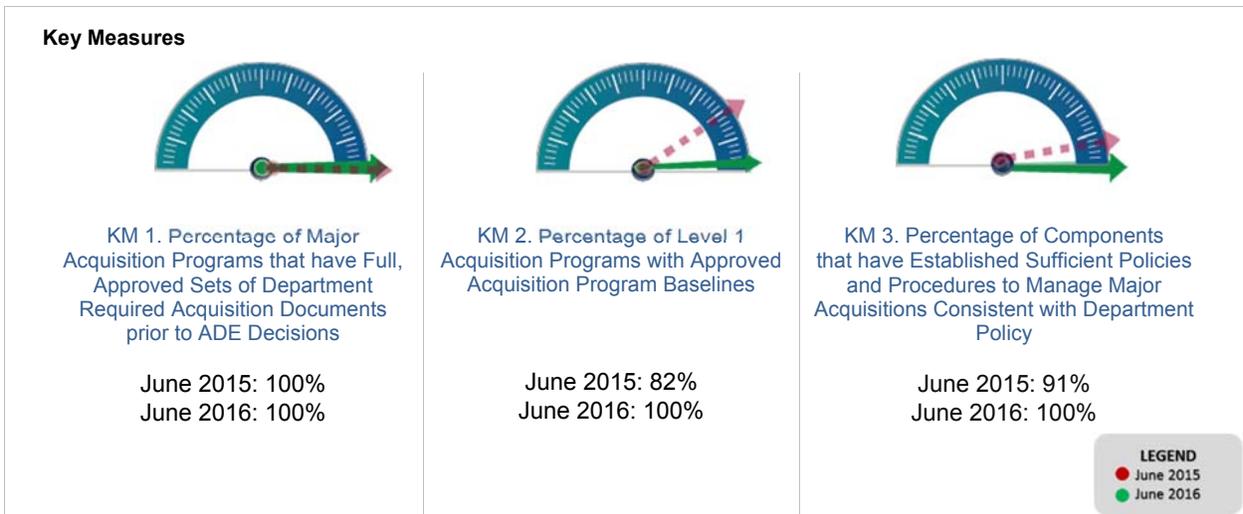
**I. Initiative Objective**

The objective of the Acquisition Management Oversight Initiative is to improve acquisition management oversight and decision making. The initiative focuses on strengthening acquisition and program management oversight (including the role of the Component Acquisition Executive [CAE]), policy, and guidance to meet statutory, regulatory and higher-level acquisition policy requirements. The previous name of this program, Component Acquisition Executive Structure, was changed to better reflect the intent of the initiative.

This initiative supports the following Outcomes:

- Management Integration: 1 – 4
- Acquisition Program Management: 1, 2, 4, 5

**II. Demonstrated Progress**



*Figure 12. Acquisition Management Oversight – Demonstrated Progress Against High-Risk Criteria*

Key Measures – Definitions and Progress Made

**Key Measure #1: Percentage of Major Acquisition Programs that Have Full, Approved Sets of Department-Required Acquisition Documents Prior to Acquisition Decision Event Decisions**

For large programs, documents are reviewed under the guidance of the Office of Program Accountability and Risk Management (PARM) before coming forward for any Acquisition Decision Event (ADE) decisions (in accordance with Management Directive 102-01). Incorporated into this process is a tiered oversight model consisting of program-level, CAE, and Department-level reviews. This measure is in sustainment (100%).



### **Key Measure #2: Percentage of Level 1 Acquisition Programs with Approved Acquisition Program Baselines (APBs)**

This measure has been revised to track APBs instead of Lifecycle Cost Estimates as an APB includes cost data.

PARM reviews and assesses the quality and accuracy of Level 1 program APBs for ADE-2A and subsequent decision points. This metric indicates the number of Level 1 programs that have APBs divided by the total number of Level 1 programs required to comply with Management Directive 102-01 acquisition documentation requirements. This measure reached 100% in June 2016.

### **Key Measure #3: Percentage of Components that Have Established Sufficient Policies and Procedures to Manage Major Acquisitions Consistent with Department Policy**

This metric compares the number of Components that have Component-level policy in place for governing acquisition oversight divided by the total number of Components in DHS. The goal of this measure is to ensure every major program is implemented in the most responsible and efficient manner possible. The revised Acquisition Management Directive Instruction 102-01-001 states that if the Component does not have acquisition policy, it will follow the Instruction, with the CAE as the Acquisition Decision Authority. Given this, all Components are in compliance (100%).

### **III. Capacity to Resolve Risk**

- In 2013, PARM leadership conducted an assessment of its organizational structure, staffing, and acquisition oversight function. As a result, PARM realigned the Component Lead function within the organizational structure to place greater emphasis on acquisition program oversight.
- To improve acquisition oversight and support capabilities, the Department reallocated \$2 million from the FY 2016 budget to hire eight new full-time equivalents, bringing PARM to full staffing capacity.
- The Under Secretary for Management strengthened the roles and responsibilities of the CAE through formal policy.
- Since 2014, each CAE has submitted staffing plans for their support staff and the Components' major acquisition programs to identify whether there were sufficient numbers of trained, qualified, and experienced acquisition staff to oversee, manage, and execute their major acquisition programs. These staffing plans identified staffing gaps and mitigation strategies to close identified gaps. Now that all the gaps have been identified, PARM is sustaining this Outcome by tracking the critical gaps quarterly.
- The established process allows PARM to monitor previously identified gaps as well as any new ones that may develop. Further, during each Acquisition Review Board (ARB), program staffing is reviewed. If critical staffing issues are identified, the Chief Acquisition Officer directs PARM to lead program staffing reviews and make recommendations for structuring the program and mitigating critical gaps.
- In coordination with CAEs, PARM conducts annual reviews of Level 3 programs, which are smaller, yet highly important, acquisition programs. These reviews ensure program success and keep leadership informed of their progress.
- Due to increased capacity, the following accomplishments were realized:
  - Published Management Directive 102-01 (Rev. 3), and subordinate Instructions and Guidebooks to include: (1) Acquisition Management Instruction 102-01-001, (2) Systems Engineering Life Cycle Instruction 102-01-103, (3) Systems Engineering Life Cycle Guidebook 102-01-103-01, and (4) Agile Development and Delivery Instruction for Information Technology 102-01-004.
  - Strengthened the requirements portion of the acquisition lifecycle through the re-establishment of the Joint Requirements Council (JRC) and approval of the following JRC policies: (1) the Joint Requirements Integration and Management System Directive 107-01, (2) Joint Requirements Council Directive 107-02, and (3) Operations of the Joint Requirements Integration and Management System Instruction 107-01-001-01. The JRC also has a representative on each ARB.
  - Achieved a Department-wide goal of completing all acquisition documents commensurate with the acquisition phase of each major acquisition program.



- Since FY 2015 through June of FY 2016, 49 action-oriented ARBs were held and yielded significant results, such as reassessing a program in context of the JRC, pausing new development on a program, and documenting implications of baseline changes.
- In FY 2016, PARM increased its number of Component Leads and support staff to provide additional focus on activities, such as acquisition decision actions and staffing assessments. PARM aggressively tracks and monitors acquisition decision event action items to ensure compliance with the acquisition decision memorandum. Additionally, more frequent program reviews between acquisition decision events have been held.
- Through the Office of the Chief Procurement Officer, DHS:
  - Continued development of classes and certification programs focused on addressing emerging needs (e.g., technology managers).
  - Re-examined program manager acquisition certification by: 1) establishing program manager competencies to match evolving federal standards, 2) mapped the curriculum to core program manager and IT competency models, 3) revised the DHS program manager certification policy, and 4) implemented a plan to close any training gaps identified in the re-examination.
  - Course materials and assessments were revised to more closely align with the new program manager competency model and increase the level of difficulty through more challenging assessments and exercises. DHS reviews and updates the curriculum annually.
  - Strengthened Homeland Security Acquisition Institute (HSAI) through standardized and improved communication and coordination with the acquisition workforce and other stakeholders through the development of a HSAI Communications Strategy and Plan through the establishment of the DHS Acquisition Career Managers (ACM) Council. The ACM Council is designed to support Secretary Johnson's Unity of Effort initiative and is the next step in the maturation of DHS's efforts to engage stakeholders in the development of policies, processes, training, and programs designed to strengthen the acquisition workforce.
  - Revamped the Chief Procurement Officer's DHS-wide Executive Development Program for Acquisition Leaders. Increased the number of senior acquisition professionals participating in the popular program from 18 in FY 2014 to 35 for the FY 2016 – 2017 cohort.
- To mitigate any capacity risks, PARM developed the Acquisition Program Health Assessment, which is used to provide early identification of critical issues within major acquisition programs.
- Through policy updates, DHS updated and strengthened program management certification.
- DHS assessed current HSAI trainings, and made significant updates to acquisition program management and other critical acquisition career field training.



**9. Program Management Corps**

**Initiative Lead:** Dave Cotner  
**Executive Lead:** Debra Cox

**I. Initiative Objective**

The objective of the Program Management Corps initiative is to build the capabilities of the program management workforce, by ensuring the Department has an adequate number of experienced, trained and certified staff, and raising the standards of professionalism and performance among program managers.

This initiative supports the following Outcomes:

- Management Integration: 1 – 4
- Acquisition Program Management: 4

**II. Demonstrated Progress**

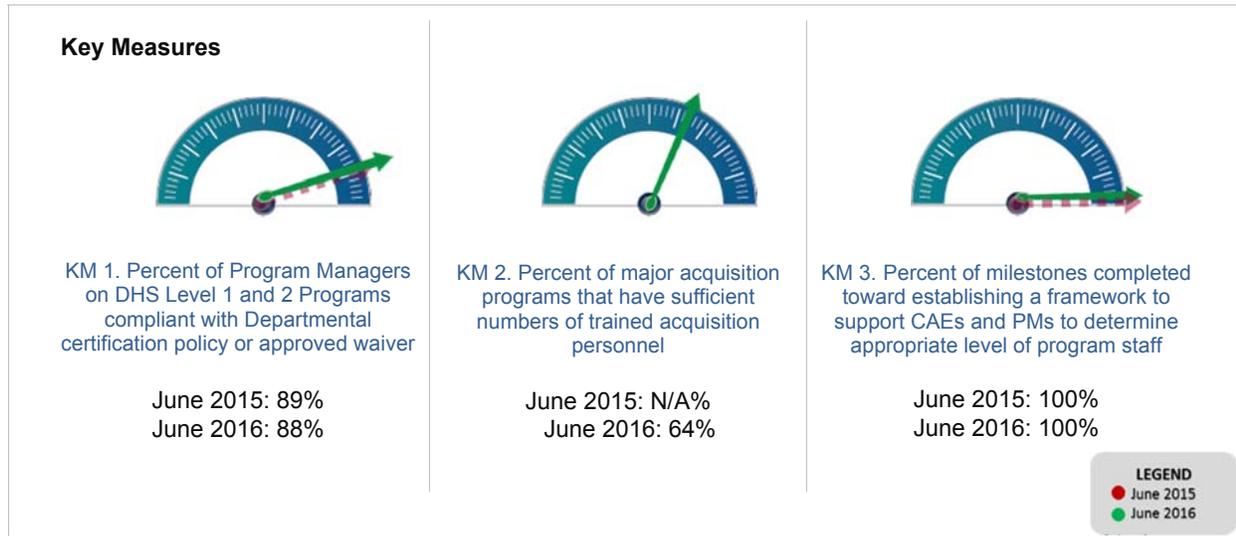


Figure 13. Program Management Corps – Demonstrated Progress Against High-Risk Criteria

Key Measures – Definitions and Progress Made

**Key Measure #1: Percentage of Program Managers on DHS Level 1 and Level 2 Programs Compliant with Departmental Certification Policy or Approved Waiver**

This measure demonstrates improved acquisition execution across the DHS acquisition portfolio by ensuring critical program management expertise resides in major program offices throughout the Department.

On March 31, 2014, the Department’s new program manager certification policy requirements went into effect to meet Office of Federal Procurement Policy Federal Acquisition Certification for Program and Project Managers (FAC P/PM) standards. As a result of this policy change, Level 2 programs need to have a Level 3 (senior-level) certified program manager. From the effective date, Department personnel had 12 months to comply with the additional standards. As of June 30, 2016, the compliance rate was 100% for Level 1 programs and 88% for Level 1 and Level 2 programs.



### **Key Measure #2: Percentage of Major Acquisition Programs that Have Sufficient Numbers of Trained Acquisition Personnel**

This is a new measure that demonstrates progress toward ensuring the Department's major acquisition program offices and Component Acquisition Executive (CAE) Support staffs have sufficient numbers of trained acquisition personnel to execute successfully, based on review and analysis of Component staffing plans.

Based on review and analysis of submitted FY 2015 Component staffing plans, 64 % of the Department's major acquisition program offices and 60% of CAE Support staffs were assessed as having sufficient numbers of trained acquisition personnel.

### **Key Measure #3: Percentage of Milestones Completed toward Establishing a Framework to Support CAEs and Program Managers to Determine Appropriate Level of Program Staff**

The Office of Program Accountability and Risk Management (PARM) developed a framework to support a repeatable methodology and approach for conducting staff evaluations and assessments on projects and programs to identify and document deficiencies and gaps in staffing. The framework includes templates and criteria to assist headquarters, CAEs, and program managers determine appropriate level of program staff based on recommended baseline staffing profiles.

In addition, PARM led an initiative requiring all major programs to submit a staffing plan and three year workforce planning worksheets for review and analysis. This initiative enables identification of staffing deficiencies within individual programs, within each Component and enterprise-wide. PARM's review and analysis assist in determining whether a formal staffing assessment may be necessary.

### **III. Capacity to Resolve Risk**

- PARM previously reported insufficient resources due to a loss of key personnel. However, these vacancies have been filled; PARM is fully staffed.
- PARM staffing policy was assessed as part of the Secretary's Unity of Effort Initiative and the Under Secretary for Management's Integrated Priorities. As a result, PARM developed and implemented Policy Directive 102-05, "Major Acquisition Program Staffing Management," to monitor and track changes in critical staffing gaps of major acquisition programs and obtain quarterly status reports to ensure critical staffing gaps are being addressed.
- In collaboration with DHS Components and other stakeholders, PARM conducted four formal program management office staff assessments on major programs and identified deficiencies in both critical personnel and additional staffing to meet program workload needs. Gaps were communicated to the appropriate leadership. Conducting staff assessments is informing the methodology and includes lessons learned from real practice.
- In 2013, PARM conducted an assessment of its organizational structure, staffing, and acquisition oversight function. As a result, PARM's organizational structure was changed to place a greater emphasis on acquisition program oversight by aligning all Component leads into one PARM division.
- The Under Secretary for Management identified the need to further strengthen the role of the CAE. First, the Under Secretary for Management promulgated a policy memorandum to address the CAE roles and responsibilities. Then, through the formal update of acquisition policy, the Department further strengthened and elevated the role of the CAEs, providing clear CAE roles and responsibilities.
- PARM collaborated with the Components to deliver training to program managers, CAEs, and staff members on the Management Directive 102-01 revisions to ensure those with certifications were current on the Department's requirements.
- Through the DHS Homeland Security Acquisition Institute, DHS continued developing courses and certification programs focused on emerging needs (e.g., technology managers). Certification programs are offered in contracting, Contracting Officer's Representative, Cost Estimating, Life Cycle Logistics,



Ordering Official, Program Financial Management, Program/Project Management, Systems Engineering, and Test and Evaluation.

- The Chief Procurement Officer's DHS-wide Executive Development Program for Acquisition Leaders was revamped and almost doubled the number of senior acquisition professionals participating in the program (from 18 in FY 2014 to 35 for the FY 2016 – 2017 cohort).
- The Office of the Chief Procurement Officer launched the Procurement Innovation Lab (PIL) initiative to provide a safe virtual space for experimenting with innovative techniques for increasing efficiencies in the procurement process and institutionalizing best practices. Users are encouraged to take risks and determine whether efficiencies can be gained from combining existing flexibilities or through changes in policy. In FY 2017, the PIL will widen its scope to allow for industry input. The PIL has already been credited with multiple successes, including cutting procurement lead time by more than half for a competitively awarded, multi-million dollar services contract.



## 10. Unity of Effort

### Executive Leads:

Drew Kuepper, Deputy Assistant Secretary, Office of Policy/Unity of Effort Integration

Chip Fulghum, Deputy Under Secretary for Management and Chief Financial Officer

Mark Dolan, Chairman, Joint Requirements Council

Michelle Benecke, Executive Director for Management Integration, Management

### I. Initiative Objective

The Secretary's Unity of Effort initiative established senior decision-making bodies and new DHS-wide joint activities including the Joint Requirements Council (JRC), and enhanced pre-existing business management processes, linking strategic guidance to operational results while also increasing Departmental effectiveness and efficiency. This enterprise-wide initiative increases transparency in the following areas: (1) strengthening business management across the Department; (2) enhancing coordinated Departmental operations; (3) growing external partnerships; and (4) building a collaborative, joint DHS culture. Up-front secretarial guidance, in the form of policy or strategy, drives results from these processes and evaluative methods, which serve as feedback mechanisms that guide the Department in future operation-driven initiatives.

This initiative supports the following Outcomes:

- Management Integration: 1 – 4
- Acquisition Program Management: 3

### II. Demonstrated Progress

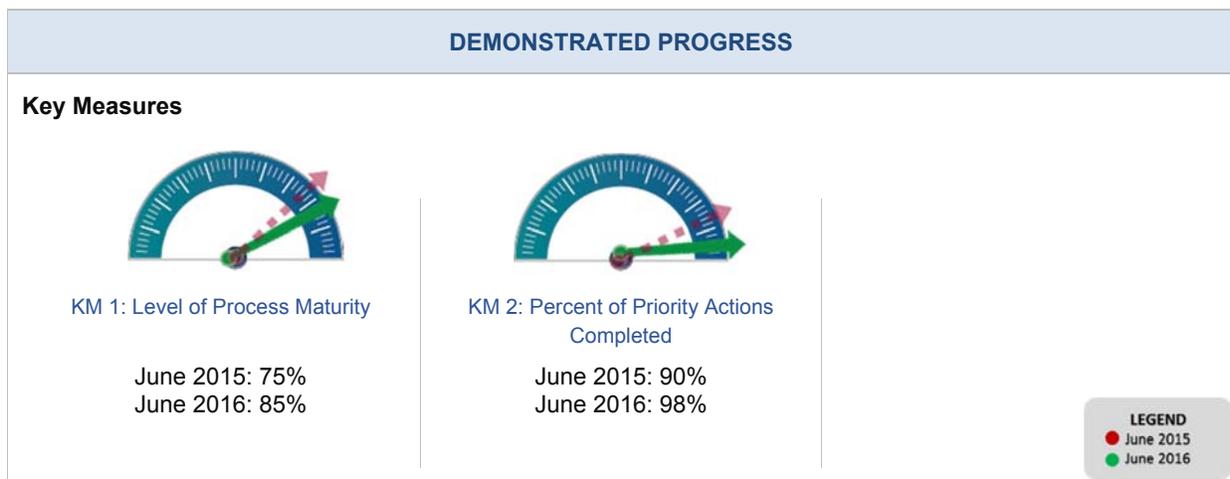


Figure 14. Unity of Effort — Demonstrated Progress Against High-Risk Criteria

### Key Measures - Definitions and Progress Made

#### Key Measure #1: Level of Process Maturity

DHS has expanded its efforts and made tremendous improvement in deepening integration across the Department. The following are updates on key areas of progress, measured as “process maturity”:

#### Strengthening Business Management across the Department:

- *Senior leader forums*: The Department's two senior leader forums—the Secretary's Senior Leaders Council (SLC) and the Deputy Secretary's Deputy's Management Action Group (DMAG)—were formally institutionalized with Management Directive (MD) 071-01 on June 30, 2015. The bi-weekly SLC and



DMAG forums exhibit leadership's interest in near- and long-term challenges as well as the capacity to resolve them. (100%)

- The SLC finalized the Department's FY 2017 budgetary submission and provided a venue for the Secretary to issue his priorities and discuss Departmental shifts in policy and strategy, as well as responses to Congress and Homeland Security-related events.
- The DMAG addresses initiatives involving joint requirements as well as programming and budgeting. This body finalized the Department's FY 2017 Legislative Proposals for the Office of Management and Budget (OMB) and, in general, identifies and addresses specific program and capacity needs.
- **Joint Requirements Council:** DHS established the JRC in June 2014. As a Component-led DMAG advisory body consisting of senior executives from across the Department's major operational and headquarters Components, the JRC advances the goals and objectives set forth by the Secretary to build a more unified and operationally effective and efficient organization. Over the reporting period, the JRC was established formally in MD 071-02, and the JRC Chair sits on the major acquisition and budget management boards to ensure requirements are considered within the acquisition and budget processes. (90%)
  - The JRC benchmarked requirements generation and oversight processes from successful organizations, including Department of Defense, Defense Acquisition University, and industry, to establish operational requirements processes, functions, and structure. The JRC considered function, staffing, analysis and program management, and systems and processes in determining the resources necessary (staffing and contracting) for the organizational structure and funding. DHS subsequently obtained appropriations for the JRC (FY 2015: \$4M; FY 2016: \$5M), which is staffed by permanent personnel, including the JRC director. Additional staff are detailed from the Components.
  - The JRC reorganized its portfolio team structure, creating seven teams that closely align with the Enterprise Architecture construct, to gain even greater synergies within the DHS Planning Programming, Budgeting, and Execution (PPBE) process.
  - The JRC created the Joint Requirements Integration and Management System (JRIMS), which is the Department's process for generating and validating operational requirements. The DHS MD 107-01, issued on March 8, 2016 outlines the JRIMS policy, management procedures, and Departmental responsibilities. JRIMS process details are established in DHS Instruction Manual 107-01-001-01, Department of Homeland Security Manual for the Operation of the Joint Requirements Integration and Management System, issued on April 21, 2016. The JRC developed a Departmental training program for JRIMS and a Knowledge Management/Decision Support capability that serves as an automated online tool for JRIMS documentation.
- **Research and Development Coordination:** On August 25, 2015, the Secretary established the Science and Technology Directorate's (S&Ts) Integrated Product Teams (IPTs) to link the Department's Research and Development (R&D) investments more closely with the Department's operational needs. S&T leads the overall IPT effort, while senior representatives from operational Components lead individual IPTs. Through the 2015 – 2016 IPT process, DHS published the FY 2016 Report of Coordinated DHS R&D and the FY 2016 IPT for DHS R&D report, which capture the Department's ongoing R&D activities to identify solutions to fill capability gaps. (60%)
- **Advancing Planning and Programming Processes:** DHS instituted a more transparent and comprehensive PPBE system to continue refining cross-Department analysis by Quadrennial Homeland Security Review mission area. The PPBE process is formalized in DHS Directive 101-01, *Planning, Programming, Budgeting, and Execution*, and accompanying Instruction 101-01-001. The DHS Office of Policy has advanced planning and programming processes by establishing the following (95%):
  - Resource Planning Guidance (RPG): The RPG provides the Secretary's direction to the Components to inform the development of their respective Resource Allocation Plans. This allows Components to develop their Resource Allocation Plans with guidance from DHS leadership on the Department's top prioritized areas for the specified budget cycle. The RPG illustrates the Department's improved ability to execute a coordinated, repeatable and transparent enterprise-wide PPBE process. Additionally, the RPG directs Components and provides guidance needed to further implement the findings from the *Quadrennial Homeland Security Reviews*.



- Winter Studies: Winter Studies are in-depth analytic efforts included in the RPG that provide leadership with the information they need when making the Department's most complex decisions. Winter Studies can impact strategy development, requirements generation, and acquisition oversight, but are principally designed to inform the Department's annual Program and Budget Review. Winter Studies enable DHS to proactively examine priority areas and provide leadership the opportunity to make impactful decisions based on analytically sound findings. Since 2014, DHS has led two rounds of Winter Studies, and results have improved joint operations and coordination as well as the Department's effectiveness at spending within a specific agency goal.
- **Acquisition Management:** The Department has made significant progress in reforming its acquisition process (90%). To date, the Department has:
  - Expanded the oversight authority and reach of the Acquisition Review Board to focus on major issues beyond program performance and effectiveness.
  - Significantly increased the percentage of major acquisition programs<sup>8</sup> with appropriate program documentation from 70% to 100%, reducing the risk of cost overruns and schedule delays.
  - Standardized training and qualification levels for Component acquisition professionals in order to strengthen the competency and capability of the acquisition workforce.
  - Conducted quarterly Component Acquisition Executive (CAE) Council meetings, chaired by the Deputy Under Secretary for Management, to focus on CAE performance, acquisition workforce, program oversight, program support, and improvements in program execution. In addition, CAE Staff Forum meetings are held monthly to improve integration and coordination between Headquarters and Components. Through this forum, members address issues, share information and best practices, and work to improve overall acquisition and program management within the Department.
  - Empowered the DHS Office of the Chief Information Officer to implement the Federal Information Technology Acquisition Reform Act, which has improved the management and oversight of IT across the Department.
  - Developed the Acquisition Program Health Assessment (APHA) and an accompanying APHA Report that is developed and submitted on a quarterly basis to the DHS Chief Acquisition Officer (CAO). The purpose of APHA is to 1) Provide the CAO with an internal assessment of the entire Master Acquisition Oversight List enterprise set of acquisition programs; 2) Provide the Independent Verification and Validation score<sup>9</sup> for the individual programs included in the annual Comprehensive Acquisition Status Report and its quarterly updates; and 3) Provide the score the DHS CIO reports for each major program reported in the OMB IT Dashboard.
  - Updated the DHS Management Instruction 102-01-001 in March 2016 that provides implementation direction for Directive 102-01, *Acquisition Management*.
  - In April 2016, updated the DHS Instruction 102-01-103, *Systems Engineering Life Cycle* and the 102-01-103-01 *DHS Systems Engineering Life Cycle Guidebook*, which support Acquisition Management Directive 102-01.
  - In April 2016 developed the DHS Instruction 102-01-004 *Agile Development and Delivery for Information Technology Instruction* which provides the scope, definitions, roles and responsibilities and procedures to establish an Agile framework for IT acquisitions within DHS.

#### Enhancing Coordinated Departmental Operations:

- **Joint Operational Planning and Force Allocation Process:** Significant progress has been made to achieve the Secretary's Unity of Effort initiatives to create a DHS-wide operational planning process (80%). Notable accomplishments include:
  - Establishing a joint operational planning process that has produced a campaign plan with up-front objectives, lines of effort, performance measures, and reporting structures to address the range of

<sup>8</sup> Programs not in the sustainment phase.

<sup>9</sup> *Independent Verification and Validation* is an additional level of assurance whereby products of the system-development lifecycle are independently reviewed, verified, and validated by an organization that is neither developer nor acquirer of the product and has no stake in its success or failure.



homeland security threats along the U.S. Southern Border and the air, land, and maritime approaches.

- Throughout 2015 and 2016, the Secretary directed DHS to develop eight new joint operational plans and establish an interim plan development process. To date, seven of eight DHS operational plans are under development, the eighth operational plan is awaiting the Secretary's approval, and the interim plan development process is currently being institutionalized in a draft management directive.
- The Secretary also approved the initial DHS Component force allocation process to develop and promulgate guidance for the development of DHS joint operational plans.
- **Joint Task Force Operations:** In June 2014, the Secretary directed the Department to develop a plan to establish three new Joint Task Forces (JTFs) reporting to the Secretary, to achieve the objectives of the DHS Southern Border and Approaches Campaign, in coordination with the DHS Operating Components. The JTFs achieved initial operating capability in August 2014 and full operating capability in January 2015. The JTF directors meet with the Secretary on a monthly basis to provide updates on their progress toward meeting the campaign objectives. Notably, JTF-West was instrumental in coordinating the successful DHS response to the surge in unaccompanied children and family units in December 2015-January 2016. During the reporting period, JTF-Intelligence has developed a new methodological approach to identify and prioritize multi-state and international transnational criminal organizational elements and coordinated the law enforcement activities against the elements to achieve maximum impact. The JTFs underscore the high priority the Department places on developing leaders with enterprise cross-Component experience. (80%).

The DHS JTFs vary in size from 50 to 80 personnel. The JTFs are staffed by personnel and resourced, within the existing budget allocation, from the U.S. Customs and Border Protection, U.S. Coast Guard, and U.S. Immigration and Customs Enforcement.

To enable the above processes and operations, the Department executes an outreach plan with Congress and OMB. This has proven to be successful in building awareness of the Department's intent, obtaining funding for the JRC and support for select headquarters realignments to improve effectiveness in managing the new and improved Unity of Effort business and operational management processes. The Department also engages with external partners, including think-tanks, federally funded research and development centers, the DHS Homeland Security and Advisory Council, and the media. DHS believes these stakeholders assist the Department in wrestling with the many challenges to homeland security.

To further strengthen and institutionalize Unity of Effort, DHS has developed and continues to refine a wide range of orientation activities to provide the workforce with greater exposure to, and a working knowledge of, the elements, objectives, and opportunities of the initiative.

### **Key Measure #2: Percentage of Priority Actions Completed**

This measure monitors the completion of the five priority activities for implementing Unity of Effort. The measure will continue to evolve as focus shifts to other priority actions. Unity of Effort has built even greater momentum throughout the Department for implementing and sustaining the results of these activities. Each activity represents 20% of the overall measure:

1. MD 071-01 identified the Department's policy, responsibilities, and requirements for Senior Leader Forums (100% complete).
2. Establish the Headquarters support infrastructure to manage Unity of Effort (100% complete).
3. Support requirements generation and validation through the JRIMS process to inform decisions (90% complete).
4. Expand and deepen Unity of Effort official policy and procedural guidance (100% complete).
5. Successfully issued two RPG documents in line with the Secretary's Unity of Effort initiative (100% complete).



### III. Capacity to Resolve Risk

Secretary Johnson set the course for “Strengthening Departmental Unity of Effort” in the April 22, 2014 Memorandum for DHS leadership. Within that document, the Secretary recognized the Department’s strengths and its many successes, while underscoring the need to continue developing the Department in order to reach its full potential. Specifically, the Secretary noted the need to “...build and mature our organization into one that is greater than the sum of its parts – one that operates with much greater unity of effort.” To do so, the Secretary signaled a strong commitment to “improv[e] PPBE processes through strengthened Departmental structures and increased capability” and to establish within DHS “traceability between strategic objectives, budgeting, acquisition decisions, operational planning, and mission execution to improve Departmental cohesiveness and operational effectiveness.”

In advance of publishing this memorandum, in March 2014, the Secretary directed the formation of a small, experienced process and organizational improvement team, comprised of members from DHS Headquarters and operational Components, to develop and begin to implement the plan to achieve his vision. This team, which reported directly to the DHS Chief of Staff, leveraged previous DHS assessments and similar efforts across the interagency, as it set the conditions within the Department, the White House, and Congress to: establish essential new business management processes like the JRC; strengthen existing processes including the programming and budget development processes and acquisition program oversight process; and build a set of operations management processes and organizations, including the establishment of three DHS JTFs, to fully leverage the roles, responsibilities, capabilities, and authorities across the Department’s strong operational Components.

In addition, the team recommended, and the Secretary approved, establishment of the two senior leader forums, the DMAG and SLC described previously, to act as the engine driving change across the Department by creating environments of trust and transparency among the senior DHS leadership. These environments are necessary to discuss, debate, and decide on the myriad of complex issues facing the Department. The team also recognized the need to increase the effectiveness and efficiency of a number of the headquarters functions to provide appropriate participation in, and oversight of, the new business and operations management processes. The team proposed to the Secretary plans to realign six major headquarters offices or functions over the following year. The Department successfully completed these realignments, except for two requiring Congressional assent, while identifying overhead efficiencies in excess of \$20 million.

To ensure continued capacity to resolve risk and further implement the Unity of Effort initiative, the Department:

- Transitioned the interim development team to a permanent office, Unity of Effort Integration, led by a Deputy Assistant Secretary within the Office of Policy, to oversee Unity of Effort implementation and follow-on activities.
- Established the realigned headquarters structure in the Congressionally-approved FY 2015 budget submission to Congress and maintains corresponding funding in subsequent years.
- Convenes the SLC and DMAG twice monthly, as administered by the Unity of Effort Integration office, to debate and decide on major Departmental issues.
- Gains year-over-year experience PPBE of resource allocation processes and incrementally refines these processes based on post-process observations and assessments.
- Added Capability and Requirements analyst positions within the Office of the Chief Financial Officer to collaborate with the JRC staff to refine and improve the JRIMS process and engage in in-depth analysis on emerging operational gaps to support the JRC’s role in requirements validation.
- Assesses compliance with the Secretary’s up-front guidance and takes corrective action.
- Institutionalized the new and strengthened Unity of Effort processes and leadership forums in Departmental management directives, instructions, and manuals.
- Continues to seek legislation to further institutionalize Unity of Effort processes and organizational changes.
- Establishes new processes (e.g., the DHS R&D IPTs established in early FY 2016) in areas where further Departmental unity of effort can be achieved.



11. Business Intelligence

**Initiative Lead:** Stacy Marcott and Mike Hermus

**Executive Lead:** Chip Fulghum

I. Initiative Objective

This initiative advances and integrates the business intelligence capabilities in the Management lines of business in order to inform decisions across the Department. The current focus is on building the Management Cube (MGMT Cube).<sup>10</sup> The MGMT Cube is an information technology tool that integrates the Department’s financial, acquisition, human capital, contracting, asset, and security data to support analysis and decision making. Users can access this data, build models, and develop visualizations to answer Department-wide business questions about DHS workforce, funding, and investments. Through the MGMT Cube, DHS is creating an integrated structure that allows data to be tracked from planning to programming and through to execution.

This initiative supports the following Outcomes:

- Management Integration: 1 – 4
- IT Management: 5
- Acquisition Program Management: 1, 3, 5

II. Demonstrated Progress

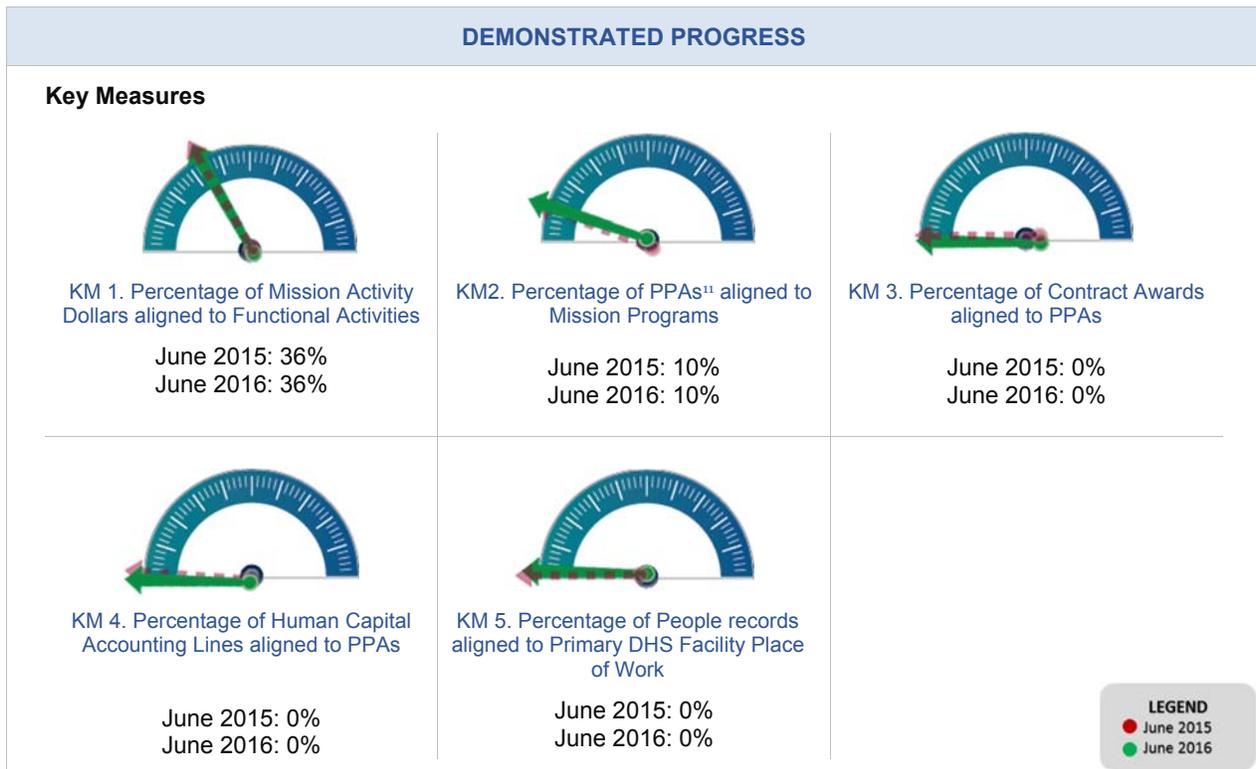


Figure 15. Business Intelligence – Demonstrated Progress Against High-Risk Criteria

<sup>10</sup> MGMT Cube replaces what had been called “cross-MGMT Dashboards” in previous versions of the *Integrated Strategy*.

<sup>11</sup> PPA: Program, Project, or Activity (GAO-05-734SP Budget Glossary).



### Key Measures - Definitions and Progress Made

**Note:** In the September 2014 report, DHS replaced all five measures to better reflect the current maturity of the initiative. Former measures KM1, KM2, and KM4 had reached 100%. Former measures KM3 and KM5 have been replaced with these five new measures as a way to better measure progress in these areas. The key measures by which progress is reported are the incremental steps to getting management data aligned to both function and mission areas. Due to the complexity and importance of these key measures, leadership is sponsoring dedicated Integrated Project Teams to address each of these areas, bringing together key players for each of these measures. Additionally, successfully implementing key initiatives such as the Digital Accountability and Transparency Act (DATA Act) and Common Appropriation Structure will significantly improve progress against these Key Measures.

#### **Key Measure #1: Percentage of Mission Activity Dollars Allocated to Functional Activities**

This measures allocation of mission activity dollars to Enterprise Architecture Functional Areas, capabilities, and activities. This effort is currently being led through the Office of the Chief Information Officer to define a percent allocation methodology that can be applied to all mission activities.

#### **Key Measure #2: Percentage of PPAs Aligned to Mission Programs**

This measures alignment of planning dollars to execution dollars. The Department's FY 2017 Budget was submitted to Congress using the Common Appropriations Structure which will create a one-to-one alignment of mission activities to PPAs. This measure is currently in the pilot phase.

#### **Key Measure #3: Contract Awards Aligned to PPAs**

This measures the alignment of accounting lines in contract data to PPAs in order to derive a Contract's alignment to its mission and function through the mission program. The requirements of the DATA Act will promote the completion of this measure. This measure is currently in the pilot phase.

#### **Key Measure #4: Percentage of Human Capital Accounting Lines aligned to PPAs**

This measures the alignment of accounting lines in human capital data to PPAs in order to derive an employee's alignment to their mission and function through the mission program. The Department is working on a workforce baseline/position management/modeling effort that will promote the completion of this measure. This measure is currently in the planning phase.

#### **Key Measure #5: Percentage of People Records Aligned to Primary DHS Facility Place of Work**

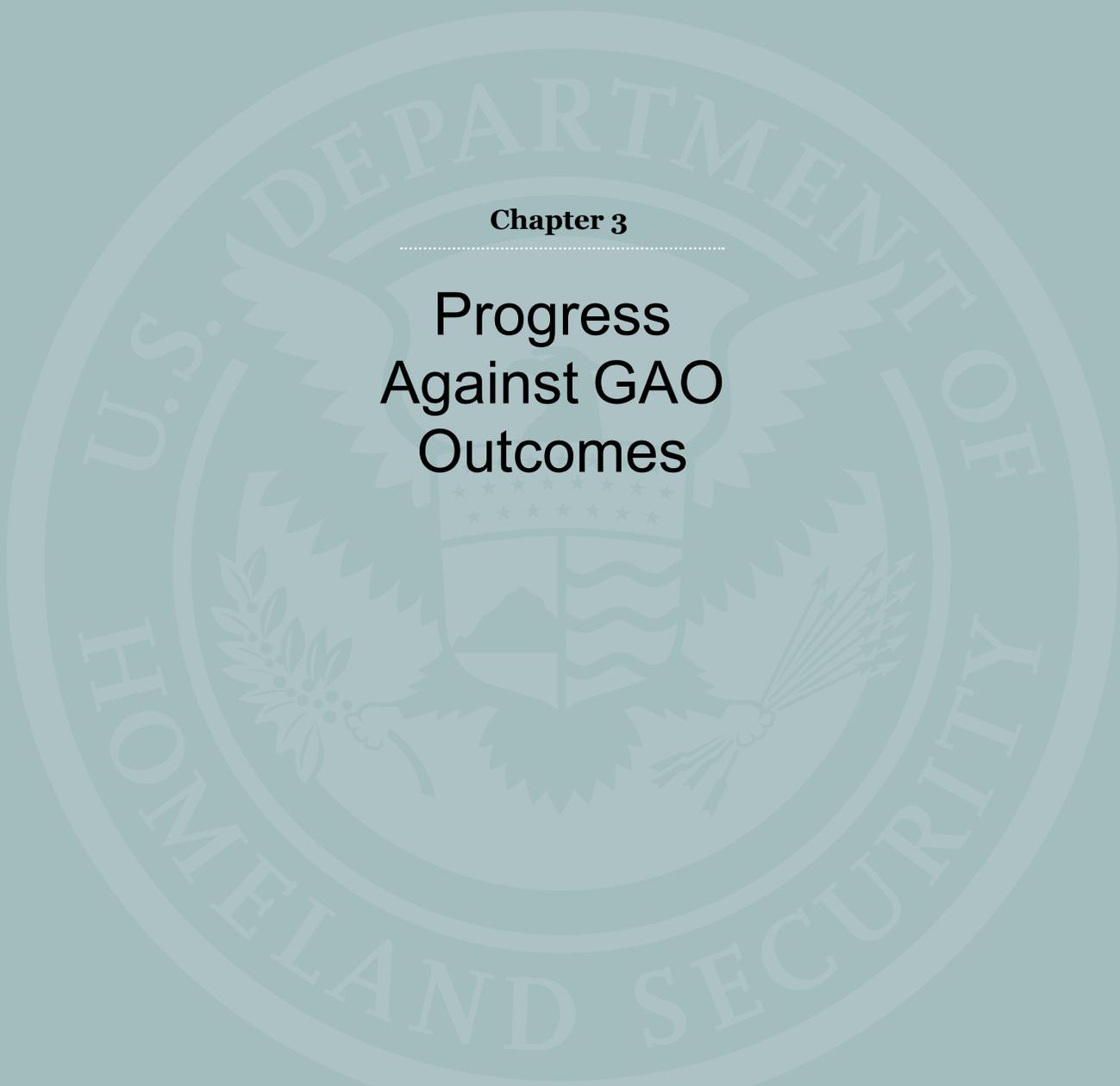
This measures alignment of people records to the master DHS facility list to allow us to derive an asset's alignment to its mission and function through the person. This measure is currently in the pilot phase.

### **III. Capacity to Resolve Risk**

- Business Intelligence/MGMT Cube has consistently tracked against its "Enhance Business Intelligence Action Plan." As the program closed out Phase 1, Consolidation in December 2015 and entered into Phase 2, Integration, in January 2016, leadership identified and determined the priority integration areas:
  1. Occupancy Rate
  2. Human Capital to Budget Execution
  3. Unified Views of Investments
  4. Securing Mission Essential Systems
- Due to the importance of strong collaboration across multiple stakeholders, lines of business, and ongoing programs, initiatives, and projects, the MGMT Dashboard/Business Intelligence community (i.e., the Steering Committee and Working Group) determined that the most effective way to address the gaps in establishing effective, reliable, and institutionalized integration of data was to establish iTeam charters with identified resources, responsibilities, and goals.



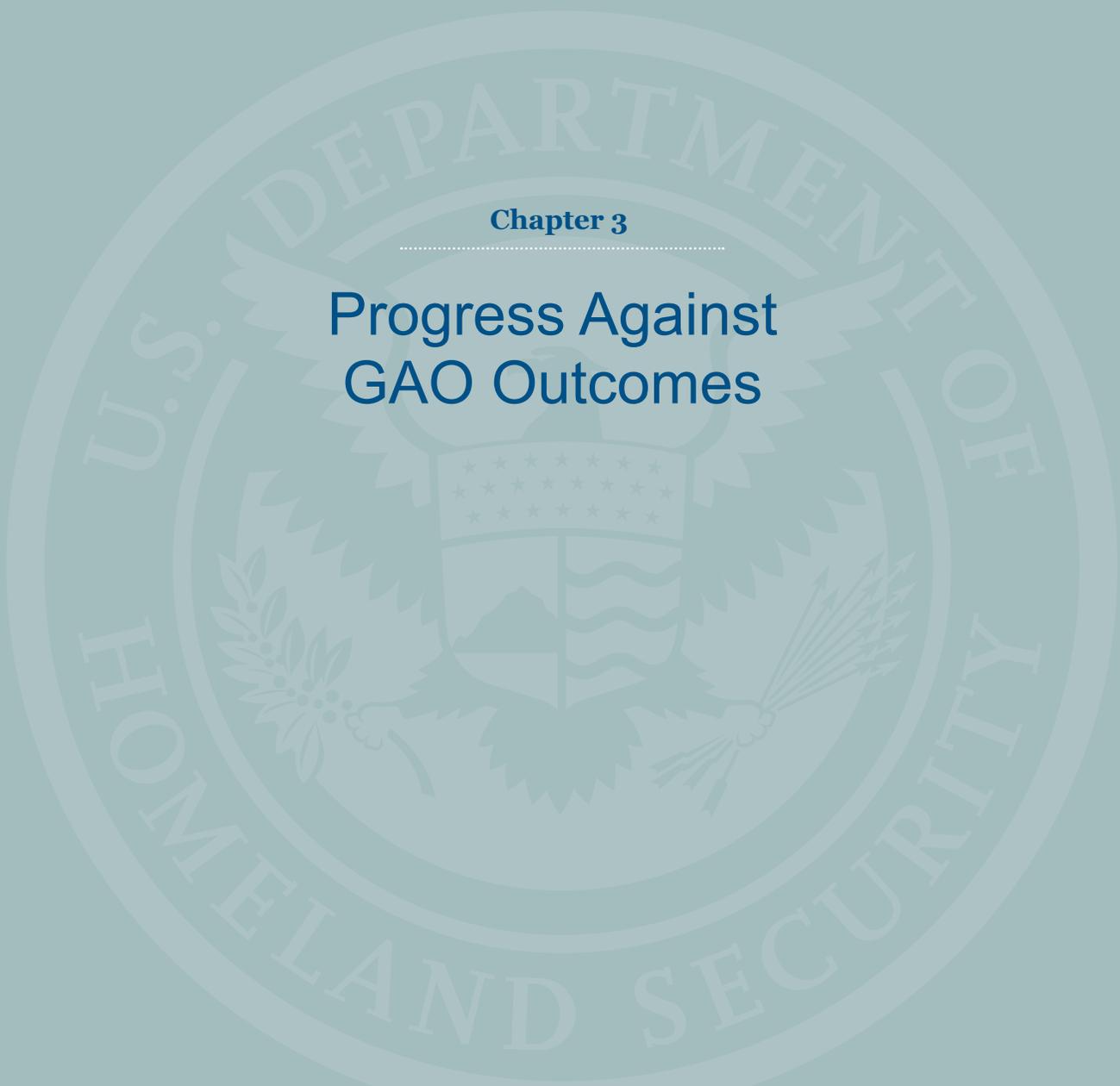
- The capacity needs for each iTeam are rooted in the competencies and specialized skills required to successfully implement the respective initiatives. The MGMT Cube Team identified the competency and specialized skill requirements for each iTeam during initial planning. These competencies are aligned to the roles and responsibilities described in each iTeam charter.
- The MGMT Cube Team ensured that adequate capacity exists to implement Phase 2 (Integration) by securing the required funding and assigning staff with the necessary skills to the roles described in the iTeam charters.
- Additional examples that demonstrate the Department's capacity to put the necessary people, structures and systems in place to resolve risks associated with Phase 2 (Integration) of the Business Intelligence/MGMT Cube initiative include:
  - Conducting regular resource discussions with the co-chairs—the Deputy Chief Financial Officer and Chief Technology Officer—during recurring meetings and quarterly MGMT Dashboard Executive Steering Committee (ESC) meetings. Additionally, resources are briefed to the Under Secretary and Deputy Under Secretary for Management/Chief Financial Officer during senior leadership meetings and as needed.
  - Ensuring Management lines of business commit resources to the initiative. A standing working group of line of business representatives, managed by a program manager with contractor support, meets bi-weekly to discuss initiative status, monitor progress, and set intermediate goals and milestones between MGMT Dashboard Executive Steering Committee meetings.
  - Effectively operating the MGMT Dashboard Joint Project Team since its inception in August 2013. The team is a mix of detailed and dedicated federal and contract resources. It includes a detailee from each line of business to provide business analysis support, technical personnel, and communications personnel. The team includes one full-time and 21 part-time personnel (9 federal; 12 contractor).
  - Obtaining vendor support for the maintenance of Business Intelligence and Decision Analytics tools.
  - Creating a user group for training and testing in order to receive broader input from the user population and solicit comments in order to improve the tool (see Table 1 below).
  - Establishing the Data Viewing and Access Policy (Share First) to establish appropriate management controls in order to both appropriately safeguard the information and concurrently promote enhanced information sharing and transparency. Rules of behavior and standard operating procedures for approving visualizations have also been established to promote transparency and the integrity and reliability of information extracted from the Cube.
  - The MGMT Cube was a finalist for the 2015 American Council for Technology–Industry Advisory Council Igniting Innovation Award, which recognizes top innovation projects and programs across the government.
  - Assisted the Department of the Treasury DATA Act implementation team by sharing methodologies and best practices in bringing together disparate data using term harmonization and lexicon methodologies in order to meet the targets laid out in the DATA Act.



**Chapter 3**

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**Progress  
Against GAO  
Outcomes**



**Chapter 3**

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**Progress Against  
GAO Outcomes**



**Progress Against GAO Outcomes**

Chapter 3 contains the Department’s detailed corrective action plans for addressing GAO’s 30 Outcomes. GAO provides official Outcome ratings in the biannual High-Risk Series. Additionally, subsequent to each *Integrated Strategy*, GAO meets with DHS officials to discuss updated ratings, provide feedback on progress, and identify areas where work remains. Table 3 provides a functional-level summary of DHS’s August 2016 self-assessment of Outcome ratings. This table also includes the ratings obtained from GAO in October 2015, subsequent to the June 2015 DHS *Integrated Strategy*. See Appendix E for a complete list of GAO Outcome ratings compared with DHS’s self-assessment.

*Table 3. Summary of Outcome Ratings by Functional Area*

Functional Area	Total GAO Outcomes	Fully Addressed	Mostly Addressed	Partially Addressed	Initiated
Financial Management	8	2	0	3	3
Human Capital Management	7	4	2	1	0
Information Technology Management	6	3	2	1	0
Acquisition/Program Management	5	3	2	0	0
Management Integration	4	3	1	0	0
<b>DHS Self-Assessment for August 2016</b>	<b>30</b>	<b>15</b>	<b>7</b>	<b>5</b>	<b>3</b>
GAO October 2015 Rating Totals	30	10	7	9	4



**Financial Management Outcome #1**

**Outcome Lead:** Jeffrey Bobich  
**Outcome Executive:** Chip Fulghum

**GAO Outcome:** Obtain an unmodified opinion on all basic financial statements, including the notes to the financial statements.

**Contributing Initiative:** Initiative 2 – Financial Management and Controls

**Integrated Priority Linkage:** 1.4 – Obtain Clean Audits and Reduce Material Weaknesses

CURRENT STATUS	
August 2016 Rating	Accomplishments
<div style="border: 1px solid black; padding: 5px;"> <p> <span style="color: red;">&gt;</span> Fully Addressed <span style="color: red;">&lt;</span>                      Mostly Addressed                      Partially Addressed                      Initiated                      Not Initiated                 </p> <p>                     LEGEND  <span style="color: red;">&gt;</span> GAO Rating <span style="color: red;">&lt;</span> </p> </div>	<p><b>GAO rated this Outcome “Fully Addressed”</b> in February 2013 after achieving a historic unmodified (i.e., clean) audit opinion on all basic financial statements. This was a confirmation of the Department’s ongoing commitment to sound financial management practices. In order to further strengthen this area of financial management, DHS has engaged in the following activities:</p> <ul style="list-style-type: none"> <li>In FY 2013, independent auditors reported that DHS had made progress in financial management. From FY 2006 to FY 2014, DHS eliminated 10 audit qualifications, reduced Department-wide material weaknesses in internal controls over financial reporting from 10 to four, and significantly reduced the number of Component conditions contributing to material weaknesses from 25 to five. Although three material weaknesses remain, in most cases, the Department lessened the severity of the conditions or reduced their scope.</li> <li>For FY 2015, all Component heads committed to addressing any known material weaknesses, significant inadequacies, reportable conditions, or any other internal control deficiencies that might impact the Department’s ability to obtain an unmodified opinion on a full-scope financial statement audit. The Component heads’ commitment extended further to supporting resolution actions listed in the Mission Action Plans (MAPs). The MAPs included, but were not limited to, key elements such as a plan that provided root-cause analysis, critical path milestones, resources required, and targeted completion date.</li> <li>All Component Chief Financial Officers (CFOs), through the DHS CFO Council, committed to achieving annual Department-wide performance goals, which are required elements of each Component CFO’s performance plan. The DHS CFO continues to partner with Components to conduct detailed risk analyses on the financial statement audit and to pursue mitigation strategies. High-risk items are communicated to leadership and are used to structure risk-management discussions throughout the year.</li> <li>DHS has continued to support sustainment of the audit opinion by working closely with Components to resolve outstanding issues and identify and address risks.</li> </ul>



PLAN TO FULLY ADDRESS OUTCOME			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for Change/Notes
Receive third consecutive unmodified (i.e., clean) opinion on all basic financial statements, including notes to the financial statements.	November 2016		<b>Sustaining a “Fully Addressed” rating.</b>
Independent auditor, KPMG, conducts bi-weekly audit status meetings with DHS CFO and Components.	May – September 2016	Ongoing	Ongoing bi-weekly action
Components re-evaluate risks to sustaining a clean audit opinion.	February – October 2016	Ongoing	Ongoing monthly action
DHS CFO engages with Component CFOs to review the Components’ status in addressing audit findings, risks, and mitigation strategies.	February – October 2016	Ongoing	Ongoing monthly action



**Financial Management Outcome #2**

**Outcome Lead:** Will White  
**Outcome Executive:** Chip Fulghum

**GAO Outcome:** Obtain an unqualified opinion on internal control over financial reporting to demonstrate effective internal controls.

**Contributing Initiative:** Initiative 2 – Financial Management and Controls

**Integrated Priority Linkage:** 1.4 – Obtain Clean Audits and Reduce Material Weaknesses

CURRENT STATUS	
August 2016 Rating	Accomplishments
<p>LEGEND                  ) GAO Rating (</p>	<p><b>GAO rated this Outcome “Partially Addressed.”</b> In November 2016, an independent audit report will be released, which DHS expects will result in a clean opinion over financial reporting and advance this Outcome to “Mostly Addressed.”</p> <p>The Department earned a clean opinion on its financial statements for the third consecutive year, and was able to provide a qualified assurance on internal control over financial reporting (ICOFR) for the fourth consecutive year. In FY 2015, DHS also resolved one Department-wide material weakness in ICOFR. The Department now has three outstanding material weaknesses. In order to further strengthen this area of financial management, DHS has accomplished the following:</p> <ul style="list-style-type: none"> <li>• Implemented a risk-based strategy that will assess the Department’s overarching control environment both at the Department and Component levels in order to prevent control failures as well as detect and fix potential failures early.</li> <li>• Updated the FY 2016 Department-wide internal control assessment plan and the corresponding assessment procedures to be performed on a quarterly basis. The Component Chief Financial Officers (CFOs) have begun executing their assessments according to this plan.</li> <li>• Built clearly defined, repeatable business processes, policies, and procedures that will sustain progress in resolving deficiencies or reducing their severity.</li> <li>• Gained commitment of CFOs of Components that contribute to the Department’s outstanding material weaknesses to achieving annual Department-wide audit and ICOFR performance goals.</li> <li>• Developed a list of CFO-designated systems to identify those that feed into the financial statements so that Components can develop a risk-based approach to remediating identified issues.</li> <li>• Continued to meet, at least monthly, with Component CFOs and Chief Information Officers to identify risks, share best practices, and assess remediation status; leaders from other management areas (e.g., procurement; real property) are included, based on the requirements, to drive solutions for remediation.</li> <li>• Monitored progress against Mission Action Plans, identified upcoming milestones, addressed audit risks and reviewed mitigation strategies. Meetings with Component leaders are conducted on a regular basis depending on the level of identified risk for their respective organizations. Once all key milestones on a Mission Action Plan are completed, they are verified and validated by Component ICOFR senior assessment team members and then approved by the DHS CFO. Sustainment of controls are subsequently validated by positive ICOFR assessment results submitted by Components to the DHS CFO.</li> <li>• Developed and performed an independent verification and validation methodology to test and/or confirm that Component issues were resolved properly and completely, thereby improving oversight.</li> </ul>



CURRENT STATUS	
August 2016 Rating	Accomplishments
<p>LEGEND   GAO Rating </p>	<ul style="list-style-type: none"> <li>Collaborated with other lines of business to improve internal controls over high-risk areas in Component operations and management outside the traditional CFO's direct span of control.</li> <li>Issued Department-wide corrective actions that identified best practices for systemic issues.</li> <li>Developed a comprehensive ICOFR tracking and targeting tool to monitor overall progress toward achieving planned ICOFR objectives for a specific fiscal year.</li> <li>Worked to implement the GAO Standards for Internal Control across the Department.<sup>12</sup></li> <li>Developed an Internal Control Maturity Model for business processes and IT to assess the Components' ICOFR methods and processes against a set of benchmarks.</li> </ul>

PLAN TO FULLY ADDRESS OUTCOME			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for Change/Notes
Obtain an unqualified (i.e., clean) opinion on ICOFR.	November 2016	November 2017	<b>Targeting a "Fully Addressed" rating.</b> The independent auditor will issue its report for FY 2017 in November 2017.
Components re-evaluate threats to sustaining a clean audit opinion and reducing weaknesses in internal control and business processes.	March and June 2017		Components review the results of testing for the second and third quarters to continue to assess their progress, as part of routine monitoring.
DHS CFO to review and validate Components' completed remediation steps.	March 2017		
DHS CFO will work with Components to assess FY 2017 audit risks and develop corrective actions.	December 2016		
Demonstrate measurable progress by continuing to reduce weaknesses in internal control and business processes.	November 2016		<b>Targeting a "Mostly Addressed" rating.</b> DHS expects to remediate at least one material weakness in the audit report for FY 2016, and continuing down the path of remediation, have a fully clean audit by November 2017.  Although DHS has developed a comprehensive strategy and methodology and maintains the ambitious goal of achieving an unqualified internal control opinion for FY 2016, it appears more likely that the Department will remediate all outstanding material weaknesses and

<sup>12</sup> U.S. Government Accountability Office, *Standards for Internal Control in the Federal Government*, GAO-14-704G (Washington, D.C., Sept 10, 2014).



PLAN TO FULLY ADDRESS OUTCOME			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for Change/Notes
			achieve a clean ICOFR opinion in the FY 2017 audit report.
Components re-evaluate threats to sustaining a clean audit opinion and reducing weaknesses in internal control and business processes.	March and June 2016	July and September 2016	Completed remediation for U.S. Immigration and Customs Enforcement (ICE), the Science and Technology Directorate (S&T), and the Management Directorate (MGMT). The U.S. Coast Guard (USCG) and National Protection and Programs Directorate (NPPD) are delayed in completing remediation for the contributing areas due to the complexity of new processes being designed. More accurate updates can be provided by the end of September.
DHS CFO to review and validate Component completed remediation steps.	March 2016	March 2016	ICE, S&T, and MGMT are validated and cleared.
DHS CFO to engage with Component CFOs to review the Components' status of addressing audit findings, risks, and mitigation strategies.	February – October 2016	Ongoing	Ongoing, monthly action.
DHS CFO will work with Components to assess FY 2015 Audit risks and develop corrective actions.	December 2015	December 2015	Completed.
Demonstrate measurable progress by continuing to reduce weaknesses in internal control and business processes.	November 2015	November 2015	In FY 2015, DHS was able to reduce one of four material weaknesses (reducing the number of materials weaknesses to three).
DHS CFO to engage with Component CFOs to review the Components' statuses on addressing audit findings, risks, and mitigation strategies.	February 2015 – October 2015	Ongoing	Monthly action.



**Financial Management Outcome #3**

**Outcome Lead:** Jeffrey Bobich  
**Outcome Executive:** Chip Fulghum

**GAO Outcome:** Sustain unmodified opinions for at least two consecutive years on Department-wide financial statements.

**Contributing Initiative:** Initiative 2 – Financial Management and Controls

**Integrated Priority Linkage:** 1.4 – Obtain “Clean” Audits and Reduce Material Weaknesses

CURRENT STATUS	
August 2016 Rating	Accomplishments
	<p><b>DHS obtained a “Fully Addressed” rating on this Outcome</b> by achieving the historic unmodified (i.e., clean) audit opinion on all five financial statements for the FY 2013 audit, confirming the Department’s ongoing commitment to sound financial management practices. DHS has continued to sustain this achievement through FY 2015. To further maintain audit excellence and success the Department has engaged in the following activities:</p> <ul style="list-style-type: none"> <li>For FY 2015, all Component heads committed to addressing any known material weaknesses, significant deficiencies, or reportable conditions, and to support resolution actions listed in the Mission Action Plans. Mission Action Plans include a root-cause analysis, critical-path milestones, required resources, and a target completion date.</li> <li>All Component Chief Financial Officers (CFOs), through the DHS CFO Council, committed to achieving annual Department-wide audit performance goals, which are required elements of each Component CFO’s performance plan. The DHS CFO continues to partner with Components to conduct detailed risk analyses on the financial statement audit. High-risk items are communicated to leadership and used to structure risk-management discussions throughout the year.</li> </ul>

PLAN TO FULLY ADDRESS OUTCOME			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for Change/Notes
Receive fourth consecutive unmodified (i.e., clean) opinion on all basic financial statements, including notes to the financial statements.	November 2016		<b>Sustaining a “Fully Addressed” rating.</b>
Receive third consecutive unmodified (i.e., clean) opinion on all basic financial statements, including notes to the financial statements.	November 2015	November 2015	Sustaining a “Fully Addressed” rating.
DHS CFO engages with Component CFOs to review their status toward addressing audit findings, risks and mitigation strategies.	February – October 2015		Ongoing monthly action.



PLAN TO FULLY ADDRESS OUTCOME			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for Change/Notes
Independent auditor KPMG conducts bi-weekly audit status meetings with DHS CFO and Components.	May – September 2015		Ongoing bi-weekly action.
Components re-evaluate threats to sustaining a clean audit opinion.	March and June 2015	March and June 2015	



**Financial Management Outcome #4**

**Outcome Lead:** Will White  
**Outcome Executive:** Chip Fulghum

**GAO Outcome:** Sustain unqualified opinions for at least two consecutive years on internal control over financial reporting.

**Contributing Initiative:** Initiative 2 – Financial Management and Controls

**Integrated Priority Linkage:** 1.4 – Obtain Clean Audits and Reduce Material Weaknesses

CURRENT STATUS	
August 2016 Rating	Accomplishments
<p>LEGEND                  &gt; GAO Rating &lt;</p>	<p><b>GAO rated this Outcome “Initiated,”</b> which was supported by the Department’s first opinion on internal control over financial reporting (ICOFR) for the FY 2013 audit. The Department was also able to provide a qualified assurance on ICOFR for the fourth consecutive year. DHS CFO is executing a multi-year plan to achieve an unqualified (clean) ICOFR opinion. In November 2016, an independent audit report will be released, which DHS expects will result in a clean opinion over financial reporting and advance this Outcome to “Partially Addressed.”</p> <p>In order to further strengthen this area of financial management, DHS has engaged in the following activities:</p> <ul style="list-style-type: none"> <li>• Built clearly defined, repeatable business processes, policies, and procedures that will sustain the Department’s progress in resolving deficiencies or reducing their severity.</li> <li>• Implemented a top-down, risk-based strategy that will assess the overarching control environment both at the Department and Component levels in order to prevent control failures as well as detect and fix potential failures early.</li> <li>• Updated the FY 2016 Department-wide internal control assessment plan and the corresponding assessment procedures. In FY 2016, the plans and procedures moved to a risk-based approach with qualitative and quantitative measures. Components have begun executing their assessments according to this plan.</li> <li>• Gained commitment to achieving annual Department-wide audit and ICOFR performance goals from the CFOs of the Components that contribute to the Department’s outstanding material weaknesses.</li> <li>• Continued to meet, at least monthly, with Component CFOs and Chief Information Officers to identify risks, share best practices, and assess remediation status; leaders from other management areas (e.g, procurement; real property) are included, based on the requirements, to drive solutions for remediation.</li> <li>• Developed a list of CFO-designated systems to identify the systems that feed into the financial statements so that Components can develop a risk-based approach to remediating identified issues.</li> <li>• Monitored progress against the Mission Action Plans (MAPs), identified upcoming milestones, addressed audit risks and reviewing mitigation strategies. Meetings with Component leaders are held on a regular basis dependent upon the level of identified risk for their organization. Once all key milestones on a MAP are completed, they are verified and validated by Component ICOFR senior assessment team members and approved by the CFO. Sustainment of controls is subsequently validated by positive ICOFR assessment results submitted by Components to the CFO.</li> <li>• Developed and performed an independent verification and validation approach to test and/or confirm that Component issues were fixed properly and completely, therefore improving oversight.</li> </ul>



CURRENT STATUS	
August 2016 Rating	Accomplishments
	<ul style="list-style-type: none"> <li>Collaborated with other lines of business to improve internal controls over high-risk areas in Component operations and management outside the traditional CFO's direct span of control.</li> <li>Issued Department-wide corrective actions, identifying best practices for systemic issues.</li> <li>Developed a comprehensive ICOFR tracking and targeting tool to track overall progress toward planned ICOFR objectives for a specific fiscal year.</li> <li>Worked to implement the GAO Standards for Internal Control across the Department.<sup>13</sup></li> </ul>

PLAN TO FULLY ADDRESS OUTCOME			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for Change/Notes
Obtain second consecutive unqualified (clean) opinion on ICOFR in FY 2017.	November 2017	November 2018	<b>Targeting a "Fully Addressed" rating.</b> The independent auditor will issue its FY 2018 report in November 2018. DHS expects to achieve its second clean ICOFR opinion.
Obtain an unqualified opinion on ICOFR in FY 2016.	November 2016	November 2017	<b>Targeting a "Mostly Addressed" rating.</b> The independent auditor will issue its FY 2017 report in November 2017. While OCFO has developed a comprehensive strategy and approach with an ambitious goal of achieving an unqualified internal control opinion for FY 2016, it is not likely that DHS will remediate all outstanding material weaknesses and achieve a clean ICOFR opinion until the FY 2017 audit report.
DHS CFO to review and validate Component completed remediation steps.	March 2017		
Components re-evaluate risks to sustaining a clean audit opinion and reducing weaknesses in internal control and business processes.	March and June 2017		Components review the results of testing for the second and third quarters to continue to assess their progress, as part of routine monitoring.
DHS CFO will work with Components to assess FY 2016 audit risks and develop corrective actions.	December 2016		

<sup>13</sup> GAO, *Standards for Internal Control*.



PLAN TO FULLY ADDRESS OUTCOME			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for Change/Notes
Demonstrate measurable progress by continuing to reduce weaknesses in internal control and business processes.	November 2016		<b>Targeting a “Partially Addressed” rating.</b> OCFO expects to remediate at least one material weakness in the FY 2016 audit report and to continue down the path of remediation in order to obtain a fully clean audit report by November 2017.
Components re-evaluate threats to sustaining a clean audit opinion and reducing weaknesses in internal control and business processes.	March and June 2016	March and June 2016	
DHS CFO to review and validate Components’ completed remediation steps.	March 2016	March 2016	DHS CFO reviews Component MAP milestones to track remediation objectives.
DHS CFO to engage with Component CFOs to review the Components’ status on addressing audit findings as well as risks and mitigation strategies.	February – October 2016	Ongoing	Ongoing monthly action.
DHS CFO will work with Components to assess FY 2015 audit risks and develop corrective actions.	December 2015	December 2015	DHS CFO assesses Component plans, and meets at least monthly with all Components to review objectives and assess remediation status.
Demonstrate measurable progress by continuing to reduce weaknesses in internal control and business processes.	November 2015	November 2015	In FY 2015, DHS was able to reduce one of four material weaknesses (reducing the total number of material weaknesses to three).
DHS CFO to engage with Component CFOs to review their status toward addressing audit findings as well as risks and mitigation strategies.	February – October 2015	Ongoing	Monthly action.



**Financial Management Outcome #5**

**Outcome Lead:** Jeffrey Bobich  
**Outcome Executive:** Chip Fulghum

**GAO Outcome:** Achieve substantial compliance with the *Federal Financial Management Improvement Act of 1996*, as reported annually by its independent auditors in accordance with the Act.<sup>14</sup>

**Contributing Initiative:** Initiative 1 – Financial Systems Modernization

**Integrated Priority Linkage:** 1.4 – Obtain Clean Audits and Reduce Material Weaknesses

CURRENT STATUS	
August 2016 Rating	Accomplishments
	<p><b>GAO rated this Outcome “Partially Addressed.”</b> In November 2016, an independent audit report will be released, which DHS expects will note improved Component FFMIA compliance and advance this Outcome to “Mostly Addressed.” DHS monitors and assesses Component Financial Systems Modernization initiatives for compliance with FFMIA Section 803(a) requirements for its core financial management systems. In addressing compliance, DHS follows the Office of Management and Budget (OMB) Compliance Framework.<sup>15</sup> Currently, the financial systems of the U.S. Secret Service, Federal Law Enforcement Training Centers, and the DHS Office of the Inspector General are compliant with FFMIA requirements. The DHS Chief Financial Officer (CFO) ensures procedures are in place to provide guidance that summary adjustments posted in the financial system(s) are traceable to the transaction source, and ensures Components accurately report instances of non-conformance to generally accepted accounting principles. In order to further strengthen this area of financial management, DHS is conducting the following activities:</p> <ul style="list-style-type: none"> <li>• Requiring Components to document necessary actions to remediate IT security control weaknesses in their corrective action plans and the Department’s independent auditor reviews Component compliance with FFMIA annually.</li> <li>• Downgrading the IT and Financial Reporting material weaknesses to a significant deficiency, as expected no later than November 2017, in order to meet OMB Circular A-123’s requirements for complying with FFMIA.</li> <li>• Assessing the Department’s FFMIA compliance utilizing the compliance framework as outlined in OMB Circular A-123. DHS plans to continue to push for FFMIA Compliance by 2017, as the Department expects to remediate both the IT and Financial Reporting material weaknesses by then, as well as achieve compliance with the <i>Federal Information Security Modernization Act of 2014</i>.<sup>16</sup></li> </ul>

PLAN TO FULLY ADDRESS OUTCOME			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for Change/Notes
Substantially comply with the requirements of FFMIA as reported by the auditors.	Q1 FY 2018	November 2017	<b>Targeting a “Fully Addressed” rating.</b> Based on OMB’s updates to Circular A-123, DHS complies with FFMIA by downgrading the material weakness in IT.

<sup>14</sup> *Federal Financial Management Improvement Act (FFMIA)*, Public Law No. 104-208, 104th Congress, September 30, 1996.

<sup>15</sup> Office of Management and Budget, Management’s Responsibility for Internal Control, OMB Circular A-123 (Washington, D.C., 2004), Appendix D, Compliance with the Federal Financial Management Improvement Act of 1996.

<sup>16</sup> *Federal Information Security Modernization Act of 2014*, Public Law No. 113-283, 113th Congress, December 18, 2014.



PLAN TO FULLY ADDRESS OUTCOME			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for Change/Notes
The Independent Audit Report notes further improvement in Component FFMI compliance and indicates a reduction in the number of Components contributing to the IT and Financial Reporting condition.	November 2016		<b>Targeting a “Mostly Addressed” rating.</b> DHS has reduced the number of Components contributing to the Department’s IT material weakness from four to two, as noted in the Independent Audit Report. Additionally, one Component is noted as contributing to the Financial Reporting material weakness.
Components re-evaluate threats to sustaining a clean audit opinion and reducing weaknesses in internal control and business processes.	June 2016	June 2016	Components review the results of testing for the second and third quarters to continue to assess their progress, as part of routine monitoring.
Assess the Department’s FFMI compliance based on the results of Department-wide assessment.	May 2016	June 2016	OCFO is conducting the Department-wide assessment differently than in past years, and has been able to push out the schedule.
Conduct quarterly risk assessments and incorporate results into Component risk-management plans through recurring quarterly meetings.	March 2016	March 2016	Risk-assessment meetings track progress being made in areas in need of the most improvement and in areas which would significantly impact the ability to reduce weaknesses in internal control and business processes.
DHS CFO to engage with Component CFOs to review the Components’ status with regard to audit findings, risks, and mitigation strategies.	February – December 2016	Ongoing	Monthly action.
DHS CFO to engage with Component CFOs to review the Components’ status with regard to audit findings, risks, and mitigation strategies.	February – December 2015	Ongoing	Monthly action.
The Independent Audit Report notes improvement in Component FFMI compliance.	November 2015	November 2015	Improvement from five Components to four noted in the Independent Audit Report.
Components re-evaluate threats to sustaining a clean audit opinion and reducing weaknesses in internal control and business processes.	June 2015	June 2015	
Assess the Department’s FFMI compliance based on the results of Department-wide assessment.	May 2015	May 2015	



**Financial Management Outcome #6**

**Outcome Lead:** Jeffrey Bobich  
**Outcome Executive:** Chip Fulghum

**GAO Outcome:** Effectively manage the implementation of a financial management system solution or modernization of existing systems for the U.S. Coast Guard (USCG) and its customers by:

- Applying rigorous and disciplined IT acquisition management processes throughout the program/project lifecycle that are consistent with applicable practices identified in Level 2 of the Carnegie Mellon Software Engineering Institute’s Capability Maturity Model® Integration. These steps will help to ensure that the systems meet expected capabilities/requirements and associated mission benefits.
- Implementing oversight mechanisms to monitor contractors or shared service providers selected to implement the solution or modernize the existing systems. These steps will help to ensure that actual cost, schedule and performance are within established threshold baselines, and variances are identified, tracked and addressed.

**Contributing Initiative:** Initiative 1 – Financial Systems Modernization

**Integrated Priority Linkage:** 1.3 – Modernize Financial Systems

CURRENT STATUS	
August 2016 Rating	Accomplishments
	<p><b>GAO rated this Outcome “Partially Addressed.”</b> DHS and the Department of the Interior’s (DOI) Interior Business Center (IBC) signed an interagency agreement executing the financial systems modernization (FSM) solution for the Domestic Nuclear Detection Office (DNDO), Transportation Security Administration (TSA), and USCG in August 2014. In FY 2015, DNDO, TSA, and USCG completed the Global Configuration phase, during which the selected system provider completed configuration of the system software to meet most of Components’ requirements. FY 2015 also marked the start of DNDO’s implementation phase. DNDO went live on the IBC financial management solution in the first quarter of 2016. TSA and USCG have begun their implementation phases.</p> <p>To provide Department-wide oversight of modernization efforts, DHS has taken the following actions:</p> <ul style="list-style-type: none"> <li>• Worked with the Enterprise Architecture Center of Excellence using the DHS Solution Architecture Methodology to develop goals for planned financial management systems, as well as document the existing architectures of legacy systems. As Components select new financial solutions, the planned architecture is further defined and documented.</li> <li>• Developed the <i>Financial Systems Modernization Governance Strategy and Approach</i> document. The publication, combined with the Financial Management Systems standard, provides the overall DHS FSM approach, strategy, associated processes, organization, references, and selected Department-level requirements or their sources.</li> <li>• Migrated DNDO to the DOI IBC successfully and worked closely with the shared service provider to resolve any identified issues. A “Lessons Learned” document was created to aid in future migrations.</li> <li>• Delayed the scheduled go-live dates for TSA and USCG, after the selected federal shared service provider, DOI IBC, communicated to DHS in mid-2016 that the solution for TSA would not be audit-ready in October 2016. DHS and DOI have agreed to delay TSA’s go-live date until October 2017, and USCG’s go-live date until October 2018. DHS and DOI are currently developing a new project master schedule.</li> </ul>



Plan to Fully Address Outcome			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for Change/Notes
USCG completes migration of their financial management systems to a federal shared service provider.	October 2017	October 2018	<b>Targeting a “Fully Addressed” rating.</b> The updates to the TSA Integrated Master Schedule, currently in process, will push out the USCG migration schedule. The updates to the schedule are necessary for both the TSA and USCG solutions to be audit-ready upon migration.
USCG Program Status Review.	September 2017	September 2018	USCG will present documentation showing that the solution is ready for deployment and support.
USCG Training.	August 2017	August 2018	End users receive new system and business process training.
USCG Test and Acceptance.	August 2017	August 2018	End users test and accept system software based on their requirements and approved test plans.
USCG Data Conversion and Migration.	August 2017	August 2018	Data is incorporated from old to new system.
USCG System Configuration.	November 2016	November 2017	System provider configures system software to meet requirements.
TSA completes migration of their financial management systems to a federal shared service provider.	October 2016	October 2017	<b>Targeting a “Mostly Addressed” rating.</b> The selected shared service provider, DOI IBC, communicated to DHS in mid-2016 that the solution for TSA will not be audit-ready in October 2016. DHS and DOI put together a Tiger Team to analyze options to determine the best path forward. Options were presented to the FSM Executive Steering Committee on May 25, 2016. The USCG Tiger Team will follow FSM Executive Steering Committee decision. DHS will work with the shared service provider to revise the integrated master schedule accordingly.
TSA Program Status Review.	September 2016	September 2017	The Under Secretary for Management is presented with documentation showing that the solution is ready for deployment and support.
TSA Training.	August 2016	September 2017	End users receive new system and business process training.
TSA Test and Acceptance.	August 2016	October 2017	End users test and accept system software based on their requirements and approved test plans.



Plan to Fully Address Outcome			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for Change/Notes
TSA Data Conversion and Migration.	November 2015	October 2017	Data is transferred from old to new system.
TSA System Configuration.	June 2015	March 2017	System provider configures system software to meet requirements.
DNDO completes migration of its financial management systems to a federal shared service provider.	October 2015	November 2015	Go-live is completed on November 5, 2015.
DNDO Program Status Review.	September 2015	October 2015	The Under Secretary for Management is presented with documentation showing that the solution is ready for deployment and support.
DNDO Training.	August 2015	October 2015	End users receive new system and business process training.
DNDO Test and Acceptance.	August 2015	October 2015	Schedule is adjusted due to late-cycle testing.
DNDO Data Conversion and Migration.	August 2015	September 2015	
DNDO System Configuration.	March 2015	June 2015	System provider configures system software to meet requirements.



**Financial Management Outcome #7**

**Outcome Lead:** Jeffrey Bobich  
**Outcome Executive:** Chip Fulghum

**GAO Outcome:** Effectively manage the implementation of a financial management system solution or modernization of existing systems for the Federal Emergency Management Agency (FEMA) by:

- Applying rigorous and disciplined IT acquisition management processes throughout the program/project lifecycle that are consistent with applicable practices identified in Level 2 of the Carnegie Mellon Software Engineering Institute’s Capability Maturity Model® Integration. These steps will help ensure that the systems meet expected capabilities/requirements and associated mission benefits.
- Implementing oversight mechanisms to monitor contractors or shared service providers selected to implement the solution or modernize the existing systems. These steps will help ensure that actual cost, schedule and performance are within established threshold baselines, and variances are identified, tracked, and addressed.

**Contributing Initiative:** Initiative 1 – Financial Systems Modernization

**Integrated Priority Linkage:** 1.3 – Modernize Financial Systems

CURRENT STATUS	
August 2016 Rating	Accomplishments
<div style="border: 1px solid #ccc; padding: 5px;"> <p style="text-align: center; margin: 0;">Fully Addressed</p> <p style="text-align: center; margin: 0;">Mostly Addressed</p> <p style="text-align: center; margin: 0;">Partially Addressed</p> <p style="text-align: center; margin: 0; background-color: #0070c0; color: white;">Initiated</p> <p style="text-align: center; margin: 0; background-color: #0070c0; color: white;">Not Initiated</p> </div> <div style="margin-top: 10px;"> <p style="text-align: center; font-size: small;">LEGEND</p> <p style="text-align: center; font-size: x-small;">▶ GAO Rating ◀</p> </div>	<p><b>GAO rated this Outcome “Initiated.”</b> FEMA determined that a technical refresh of the existing Integrated Financial Management Information System (IFMIS) was necessary to continue sustaining operations at current levels. Completed in May 2013, the technical refresh improved the existing infrastructure and system stability and is expected to extend the useful life of IFMIS for at least three to five years. During the FY 2013 financial statement audit, the auditors concluded that IT controls and system functionality had improved, validating that the technical refresh made a positive impact. In FY 2015, FEMA obtained approvals from the Department of Treasury’s Financial Innovation and Transformation (FIT) office and the Office of Management and Budget (OMB) on its Financial System Strategy.</p> <p>To provide Department-wide oversight of modernization efforts, the DHS CFO has:</p> <ul style="list-style-type: none"> <li>• Worked with the Enterprise Architecture Center of Excellence using the DHS Solution Architecture Methodology to develop goals for planned financial management systems, and document the existing architectures of legacy systems. Upon selection of new financial solutions, Components’ planned architecture is further defined.</li> <li>• Developed <i>Financial Systems Modernization Governance Strategy and Approach</i>. The publication, combined with the Financial Management Systems standard, provides the overall DHS FSM approach, strategy, associated processes, organization, references, and selected Department-level requirements or their sources.</li> </ul> <p>To support modernization efforts, the FEMA Chief Financial Officer (CFO):</p> <ul style="list-style-type: none"> <li>• Participates in the Financial Systems Modernization (FSM) Executive Steering Committee (ESC) meetings to provide status updates and to ensure that FEMA gets the right resources and is on track to meet milestones.</li> <li>• Meets biweekly with FSM, Grants and National Flood Insurance Program leadership to ensure cross-collaboration.</li> <li>• Supported the release of the request for information as part of FEMA’s market research.</li> <li>• FEMA has brought on contractor support to facilitate discovery efforts. Although delays in onboarding the support have impacted the finalization of the Analysis of Alternatives (AA), as well as subsequent milestones, FEMA is working to sign the Implementation Interagency Agreement in September 2017.</li> </ul>



PLAN TO FULLY ADDRESS OUTCOME			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for Change/Notes
FEMA completes migration of its financial management systems to a shared service provider.	October 2019		<b>Targeting a “Fully Addressed” rating.</b>
Training.	September 2019		End users receive new system and business-process training.
Test and Acceptance.	August 2019		End users test and accept system software based on their requirements and approved test plans.
Data Conversion and Migration.	August 2019		Data is incorporated from old to new system.
System Configuration.	June 2019		<b>Targeting a “Mostly Addressed” rating.</b> System provider configures system software to meet requirements.
Design Phase.	March 2019		Transform requirements into detailed system design.
Prepare ongoing system engineering lifecycle documentation.	December 2017		DHS CFO reviews system design.
Start validation of functional and technical requirements.	November 2017		Provider and end user confirm business processes and infrastructure.
FEMA begins migration of their financial management system to a federal shared service provider.	October 2017		
Organize implementation teams.	September 2017		Each Component will have its own team and program management office.
Execute Implementation Interagency Agreement.	September 2017		The agreement is signed.
Acquisition Decision Event – 2B Implementation Approval.	February 2017	April 2017	The Under Secretary for Management is presented with documents to support proceeding with implementation.
Department of Treasury and OMB approval of Discovery Report.	February 2017	April 2017	Department of Treasury and OMB agree the partnership between provider and client is suitable.
Complete Discovery Report.	February 2017	April 2017	Vendor and agency complete report describing the selected implementation plan and submit to Department of Treasury and OMB for approval.
FSM ESC approval and Go/No-Go decision (post-Solution ESC approval).	February 2017	April 2017	



PLAN TO FULLY ADDRESS OUTCOME			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for Change/Notes
Final Implementation Schedule and Cost Estimate.	January 2017	March 2017	
FEMA completes a discovery phase with a shared service provider.	January 2017	March 2017	<b>Targeting a “Partially Addressed” rating.</b>
FEMA enters a discovery phase.	October 2016	December 2016	The discovery phase consists of an in-depth gap analysis to determine the feasibility of implementing, deploying, and maintaining financial management services on chosen solution. Through this discovery process, the provider will gain an in-depth understanding of the financial management needs of FEMA and solution requirements.
FEMA finalizes and submits their AA for DHS approval.	May 2016	September 2016	FEMA has brought on contractor support to facilitate discovery efforts. However, delays in onboarding the support have affected the finalization of the AA, as well as subsequent milestone dates.
Develop and submit capability development plan for DHS approval.	April 2015	December 2015	Delayed approval of the Financial System Strategy affected the development of the Capability Development Plan.
Develop and submit Mission Needs statement for DHS approval.	April 2014	November 2015	Additional delays were experienced due to FEMA’s internal review process, which requires a full stakeholder review of the Mission Needs statement by the affected lines of business prior to DHS approval.  Delayed approval of the Financial System Strategy (previously titled the Agency Modernization Plan) affected the Under Secretary for Management’s approval of the Mission Needs statement.
OMB approves Financial System Strategy.	June 2014	April 2015	Remaining schedule is dependent on approval by OMB and FIT office, as well as on funding.



**Financial Management Outcome #8**

**Outcome Lead:** Jeffrey Bobich  
**Outcome Executive:** Chip Fulghum

**GAO Outcome:** Effectively manage the implementation of a financial management system solution or modernization of existing systems for the U.S. Immigration and Customs Enforcement (ICE) and its customers by:

- Applying rigorous and disciplined IT acquisition management processes throughout the program/project lifecycle that are consistent with applicable practices identified in Level 2 of the Carnegie Mellon Software Engineering Institute’s Capability Maturity Model® Integration. These steps will help to ensure the systems meet expected capabilities/requirements and associated mission benefits.
- Implementing oversight mechanisms to monitor contractors or shared service providers selected to implement the solution or modernize the existing systems. These steps will help ensure that actual cost, schedule and performance are within established threshold baselines, and variances are identified, tracked and addressed.

**Contributing Initiative:** Initiative 1 – Financial Systems Modernization

**Integrated Priority Linkage:** 1.3 – Modernize Financial Systems

CURRENT STATUS	
August 2016 Rating	Accomplishments
	<p><b>GAO rated this Outcome “Initiated.”</b> ICE and its customer Components continue to plan and execute Financial Systems Modernization (FSM) projects, moving forward with approvals. U.S. Citizenship and Immigration Services (USCIS), the National Protection and Programs Directorate (NPPD), the Science and Technology Directorate (S&amp;T) and the Office of Financial Operations (OFO) have received approval for the Analysis of Alternatives (AA) from the FSM Executive Steering Committee (ESC). ICE and its customer Components entered the Discovery phase in July 2016.</p> <p>To provide Department-wide oversight of modernization efforts, the DHS Chief Financial Officer (CFO) has:</p> <ul style="list-style-type: none"> <li>• Supported ICE and customer Components as they prepare for the Discovery phase by providing guidance on AA activities and requirements gathering.</li> <li>• Worked with the Enterprise Architecture Center of Excellence (COE) using the DHS Solution Architecture Methodology to develop goals for planned financial management systems, as well as document the existing architectures of legacy systems. Upon selection of new financial solutions, Components’ planned architecture is further defined and documented.</li> <li>• Developed and published the FSM Governance Strategy and Approach document that together with the Financial Management Systems standard provides the overall DHS FSM approach, strategy, associated processes, organization, references, and selected Department-level requirements or their sources.</li> <li>• DHS OCFO and ICE customers are working closely with the identified federal shared service provider, but delays in awarding the Discovery Interagency Agreement (IAA) have pushed out subsequent milestone dates.</li> </ul>



PLAN TO FULLY ADDRESS OUTCOME			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for Change/Notes
<b>U.S. Immigration and Customs Enforcement Milestones</b>			
ICE completes migration to a new financial management solution. <sup>17</sup>	November 2019	November 2020	<b>Targeting a “Fully Addressed” rating.</b>
ICE Program Status Review	November 2019	November 2020	The Under Secretary for Management (USM) is presented with documentation showing that the solution is ready for deployment and support.
ICE Training	September 2019	September 2020	End users receive new system and business-process training.
ICE Test and Acceptance	August 2019	August 2020	End users test and accept system software based on their requirements and approved test plans.
ICE Data conversion and migration	December 2018	December 2019	Data is transferred from old system to new system.
ICE System Configuration	September 2018	September 2019	System provider configures system software to meet requirements.
ICE Design Phase	June 2018	June 2019	Transform requirements into detailed system design.
ICE validates functional and technical requirements.	March 2018	March 2019	Provider and end user confirm business processes and infrastructure.
Prepare ongoing System Engineering Lifecycle documentation.	August 2017	December 2018	DHS CFO reviews system design.
ICE starts validation of functional and technical requirements.	July 2017	November 2018	Provider and end user confirm business processes and infrastructure.
ICE begins migration of their financial management systems to a shared service provider.	October 2017	October 2018	
ICE executes Implementation Interagency Agreement.	September 2017	September 2018	<b>Targeting a “Mostly Addressed” rating.</b> The agreement is signed.
ICE, Department of Treasury, and Office of Management and Budget (OMB) approval of Discovery Report	August 2017	April 2017	Department of Treasury and OMB agree the partnership between provider and client is suitable.
ICE Acquisition Decision Event – 2B Implementation Approval	July 2017	April 2017	USM is presented with documents to support approval for investment to proceed with implementation.

<sup>17</sup> Subject to change due to pending litigation.



PLAN TO FULLY ADDRESS OUTCOME			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for Change/Notes
ICE: FSM ESC approval and Go/No-Go decision (after Solution Executive Steering Committee approval).	July 2017	April 2017	Agency obtains approval FSM ESC on the selected implementation plan.
ICE completes a discovery report.	June 2017	April 2017	Vendor and Agency complete report describing the selected implementation plan and submit to Department of Treasury and OMB for approval.
ICE: final implementation schedule and cost estimate.	May 2017	April 2017	Vendor delivers final implementation plan including detailed schedule and final cost estimate.
ICE completes a discovery phase.	March 2017	March 2017	Vendor and agency complete report describing the selected implementation plan and submit to Department of Treasury and OMB for approval.
ICE enters a discovery phase.	October 2016	July 2016	The discovery phase consists of an in-depth gap analysis to determine the feasibility of implementing, deploying and maintaining financial management services on chosen solution. Through this discovery process, the provider will gain an in-depth understanding of the financial management needs of the DHS Components and requirements.
ICE awards Discovery IAA to selected shared service provider.	September 2016	July 2016	
ICE selects shared service provider based on assessment findings.	September 2016	March 2016	
ICE conducts assessment of shared service providers.	August 2016	February 2016	The assessment of shared service providers uses approved evaluation criteria and guidance from the Department of Treasury's Financial Innovation and Transformation (FIT) Office.
ICE finalizes its AA for financial systems modernization.	July 2016	January 2016	
U.S. Citizenship and Immigration Service and National Protection and Programs Directorate Milestones			
USCIS and NPPD complete migration to a new financial management solution. <sup>18</sup>	October 2017	April 2019	Contingent on funding and federal shared service provider schedule.

<sup>18</sup> Subject to change due to pending litigation.



PLAN TO FULLY ADDRESS OUTCOME			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for Change/Notes
USCIS and NPPD Program Status Review	November 2017	March 2019	USM is presented with documentation showing that the solution is ready for deployment and support.
USCIS and NPPD Training	September 2017	February 2019	End users receive new system and business process training.
USCIS and NPPD Test and Acceptance	August 2017	December 2018	End users test and accept system software based on their requirements and approved test plans.
USCIS and NPPD Data conversion and migration	July 2017	November 2018	Data is transferred from old system to new system.
USCIS and NPPD System Configuration	April 2017	April 2018	System provider configures system software to meet requirements.
USCIS and NPPD Design Phase	January 2017	January 2018	Transformation of requirements into detailed system design.
Prepare Ongoing System Engineering Lifecycle Documentation.	December 2015	December 2017	DHS CFO reviews system design.
USCIS and NPPD start validation of Functional and Technical Requirements.	November 2015	November 2017	Provider and end user confirm business processes and infrastructure.
USCIS and NPPD begin migration of their financial management systems to a shared service provider.	May 2016	October 2017	
USCIS and NPPD execute Implementation IAA.	September 2015	September 2017	<b>Targeting a “Partially Addressed” rating.</b> The agreement will be signed.
USCIS and NPPD: Department of Treasury and OMB approval of Discovery Report	August 2015	April 2017	Department of Treasury and OMB agree the partnership between provider and client is suitable.
USCIS and NPPD Acquisition Decision Event – 2B Implementation Approval	July 2015	April 2017	USM is presented with documents to support approval for proceeding with implementation.
USCIS and NPPD FSM ESC approval and Go/No-Go decision (after Solution Executive Steering Committee approval).	July 2015	April 2017	Agency obtains approval FSM ESC on the selected implementation plan.
USCIS and NPPD complete a discovery report.	June 2015	April 2017	Vendor and agency complete report describing the selected implementation plan and submit to Department of Treasury and OMB for approval.



PLAN TO FULLY ADDRESS OUTCOME			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for Change/Notes
USCIS and NPPD: Final implementation schedule and cost estimate	May 2015	April 2017	Vendor delivers final implementation plan including detailed schedule and final cost estimate.
USCIS and NPPD complete a discovery phase.	March 2015	March 2017	Vendor and agency complete gap analysis to determine viability of the vendor to meet the Components' functional and technical requirements and document any identifiable gaps.
USCIS and NPPD enter a discovery phase.	October 2014	July 2016	The discovery phase consists of an in-depth gap analysis to determine the feasibility of implementing, deploying, and maintaining financial management services on chosen solution. Through this discovery process, the provider will gain an in-depth understanding of the financial management needs of the Components and requirements.
USCIS and NPPD award Discovery IAA to selected shared service provider.	March 2015	July 2016	
USCIS and NPPD select shared service provider based on assessment findings.	March 2015	March 2016	
USCIS and NPPD conduct assessment of shared service providers.	February 2015	October 2015	The assessment of shared service providers will use approved evaluation criteria and guidance from FIT Office.
USCIS finalizes their AA for financial systems modernization.	April 2015	May 2015	The FSM ESC approved USCIS' AA on May 21, 2015.
NPPD finalizes their AA for financial systems modernization.	January 2015	April 2015	The FSM ESC approved NPPD's AA on April 6, 2015.
Science and Technology Directorate and Office of Financial Operations Milestones			
OFO and S&T complete migration to a new financial management solution. <sup>19</sup>	October 2016	April 2018	
OFO and S&T Program Status Review	November 2016	May 2018	USM is presented with documentation showing that the solution is ready for deployment and support.
OFO and S&T Training	September 2016	March 2018	End users receive new system and business process training.

<sup>19</sup> Subject to change due to pending litigation.



PLAN TO FULLY ADDRESS OUTCOME			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for Change/Notes
OFO and S&T Test and Acceptance	August 2016	February 2018	End users test and accept system software based on their requirements and approved test plans.
OFO and S&T data conversion and migration	August 2016	February 2018	Data is incorporated from old system to new system.
OFO and S&T Design Phase	March 2016	July 2017	Transform requirements into detailed system design.
OFO and S&T System Configuration	June 2016	October 2017	System provider configures system software to meet requirements.
OFO and S&T start validation of functional and technical requirements.	March 2016	July 2017	Provider and end user confirm business processes and infrastructure.
OFO and S&T begin migration of their financial management systems to a shared service provider.	October 2015	June 2017	
OFO and S&T execute IAA.	September 2015	May 2017	<b>Targeting a “Partially Addressed” rating.</b> The agreement is signed.
OFO and S&T: Department of Treasury and OMB approval of Discovery Report	August 2015	April 2017	Department of Treasury and OMB agree the partnership between provider and client is suitable.
OFO and S&T Acquisition Decision Event – 2B Implementation Approval	July 2015	April 2017	USM is presented with documents to support approval for proceeding with implementation.
OFO and S&T: FSM ESC approval and Go/No-Go decision (after Solution ESC approval)	July 2015	April 2017	Agency obtains approval from FSM ESC on the selected implementation plan.
OFO and S&T complete a discovery report.	June 2015	April 2017	Vendor and agency complete report describing the selected implementation plan and submit to Department of Treasury and OMB for approval.
OFO and S&T: Final implementation schedule and cost estimate	May 2015	April 2017	Vendor delivers final implementation plan including detailed schedule and final cost estimate.
OFO and S&T complete a discovery phase.	March 2015	March 2017	Vendor and agency complete report describing the selected implementation plan and submit to Treasury and OMB for approval.



PLAN TO FULLY ADDRESS OUTCOME			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for Change/Notes
OFO and S&T enter a discovery phase.	October 2014	July 2016	The discovery phase consists of an in-depth gap analysis to determine the feasibility of implementing, deploying and maintaining financial management services on chosen solution. Through this discovery process, the provider will gain an in-depth understanding of the financial management needs of the DHS Components and requirements.
OFO and S&T award Discovery IAA to selected shared service provider.	March 2015	July 2016	
OFO and S&T select shared service provider based on assessment findings.	March 2015	March 2016	
OFO and S&T conduct assessment of shared service providers.	February 2015	October 2015	The assessment of shared service providers will use approved evaluation criteria and guidance from Treasury's FIT Office.
OFO finalizes its AA for financial systems modernization.	January 2015	March 2015	The FSM ESC approved OFO's AA on March 26, 2015.
S&T finalizes its AA for financial systems modernization.	January 2015	July 2015	The FSM ESC approved S&T's AA on July 30, 2015.
Office of Health Affairs Milestones			
Office of Health Affairs Migration to U.S. Customs and Border Protection – Go Live.	April 2014	TBD	Migration strategy is being revised due to settlement of the protest. The system was ready to go live on April 21, 2014.



**Human Capital Management Outcome #1**

**Outcome Lead:** Sid Evans  
**Outcome Executive:** Steve McPeek

**GAO Outcome:** Develop and demonstrate sustained progress in implementing a results-oriented strategic human capital plan that identifies the Department’s goals, objectives, and performance measures for strategic human capital management that is linked to the Department’s overall strategic plan. Strategic human capital planning that is integrated with broader organizational strategic planning is critical to ensuring that agencies have the talent and skill mix they need to address their human capital challenges.

**Contributing Initiative:** Initiative 3 – Implementing the Human Capital Strategic Plan

**Integrated Priority Linkages:**

- 4.1 - Cybersecurity and Technology Workforce
- 4.2 - Efficient and Effective End-to-End Hiring Process

CURRENT STATUS	
August 2016 Rating	Accomplishments
<div style="display: flex; align-items: center;"> <div style="margin-right: 10px;">&gt;</div> <div style="border: 1px solid black; padding: 5px; width: 100px;"> <p style="background-color: #0070C0; color: white; padding: 2px;">Fully Addressed</p> <p style="background-color: #0070C0; color: white; padding: 2px;">Mostly Addressed</p> <p style="background-color: #0070C0; color: white; padding: 2px;">Partially Addressed</p> <p style="background-color: #0070C0; color: white; padding: 2px;">Initiated</p> <p style="background-color: #0070C0; color: white; padding: 2px;">Not Initiated</p> </div> <div style="margin-left: 10px;">&lt;</div> </div> <div style="border: 1px solid black; padding: 2px; width: fit-content;"> <p style="margin: 0;">LEGEND</p> <p style="margin: 0;">&gt; GAO Rating &lt;</p> </div>	<p><b>GAO rated this Outcome “Fully Addressed.”</b> In order to continue to align with Departmental strategic priorities and internal and external environmental changes, DHS prepared an update to the Workforce Strategy, resulting in the FY 2015 – FY 2019 DHS Human Capital Strategic Plan (HCSP). As part of this effort, a more robust strategic planning framework was implemented, demonstrating the Department’s commitment to continuous improvement. Features of the new framework include an annual operational plan, a new governance structure with goal champions and tactic owners, and quarterly data-driven performance reviews (i.e., HRstat sessions).</p> <p>DHS continues to develop the strategic planning process and is demonstrating the sustainability of this program through the following activities:</p> <ul style="list-style-type: none"> <li>• DHS human capital representatives and other stakeholders met in August 2016 to develop the draft FY 2017 Operational Plan to ensure actions align to the HCSP. DHS has developed human capital operational plans annually for the past three years.</li> <li>• Annual cycles of DHS strategic human capital planning (including the implementation of FY 2016 tactics) have been successfully completed.</li> <li>• Preparation for FY 2017 operational planning includes an updated environmental scan and an analysis of human capital data and trends, which together provide a strategic context for the FY 2017 planning process.</li> <li>• The Office of the Chief Human Capital Officer continues to obtain monthly updates on the FY 2016 operational plan from tactic owners and provides quarterly reports to the Human Capital Leadership Council at HRstat meetings. This progress reporting focuses the human capital community’s efforts to capture the Department’s most critical human capital demands, while promoting transparency and enabling timely corrective actions on operational activities as needed.</li> <li>• DHS has now completed two annual cycles of quarterly HRstat sessions. The HRstat program institutes a three-tiered framework:             <ol style="list-style-type: none"> <li>1) Discussion of quarterly measures that align to the HCSP.</li> <li>2) Discussion and deep-dive into one of the four HCSP goals.</li> <li>3) A progress review of the Operational Plan actions.</li> </ol> </li> <li>• DHS has continued to mature the HRstat program by developing improved quarterly measures and enhancing the Human Capital Dashboard to provide added insights to enable better decision-making and transparency. The HRstat dashboard also includes updated measure targets, and sessions have focused on critical issues, such as hiring reform with trends on time-to-hire across several mission-critical occupations.</li> </ul>



PLAN TO FULLY ADDRESS OUTCOME			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for Change/Notes
Continuous review of Human Capital Strategic Plan with human capital community-wide and Component input.	Ongoing	Ongoing	<b>Sustaining a “Fully Addressed” rating.</b> The Department’s senior human capital leadership meets on an annual basis to develop an operational plan for the next fiscal year. The operational plan provides the tactics and associated evidence of progress toward implementing the HCSP.
Continuous review of Human Capital Strategic Plan with human capital community-wide and Component input.	Ongoing	Ongoing	The Human Capital Dashboard is monitored and status is evaluated monthly. Progress is reviewed quarterly with the Department’s senior human capital leadership at the HRstat Review meeting.



**Human Capital Management Outcome #2**

**Outcome Lead:** Sid Evans  
**Outcome Executive:** Steve McPeek

**GAO Outcome:** Link workforce planning efforts to strategic and program-specific planning efforts to identify current and future human capital needs. This includes the size of the workforce, its deployment across the Department and Components, and the knowledge, skills, abilities, and diversity needed for the agency to meet its goals and objectives. This also includes collecting valid and reliable data on human capital indicators, such as distribution of employee skills and competencies, attrition or projected retirement rates, and retirement eligibility by occupation and organizational unit. As a result, decisions involving human capital management and its link to agency results would be informed by complete, valid and reliable data.

**Contributing Initiatives:**

- Initiative 3 – Implementing the Human Capital Strategic Plan
- Initiative 5 – IT Human Capital Management
- Initiative 7 – Acquisition Workforce Development

**Integrated Priority Linkage:** 4.1 – Cybersecurity and Technology Workforce

CURRENT STATUS	
August 2016 Rating	Accomplishments
	<p><b>GAO rated this Outcome “Mostly Addressed.” DHS has since made substantial strides toward achieving a rating of “Fully Addressed.”</b> DHS has demonstrated significant progress in linking workforce planning to program planning, documenting performance measures to determine workforce planning efforts, and implementing an effective oversight approach for monitoring and evaluating Components’ progress in workforce planning. The following accomplishments are evidence of additional progress and sustainment:</p> <ul style="list-style-type: none"> <li>• Completed the biennial revalidation of DHS Mission Critical Occupations (MCOs) using a newly designed automated process that increased data-analytic capabilities, enhanced Component usability, and will expedite completion of future MCO revalidations. The improved MCO revalidation process enabled identification of all 228,000 DHS employees (including, for the first time, all 39,000 USCG military personnel) to each of the five DHS mission areas.</li> <li>• Worked with Components to complete a second cycle of the Department’s workforce planning framework documented in the DHS workforce planning guide. Evidence includes documented, comprehensive action plans for 17 priority MCOs.</li> <li>• Hosted a DHS Workforce Planning and Strategy Working Group in June 2016. This working group served as a platform for Component representatives to report on the implementation of their workforce planning action plans.</li> <li>• Released a <i>DHS Workforce Plan Administration Standard Operating Procedure (SOP)</i> to ensure program sustainability and standard application of guidance. The SOP outlines key DHS workforce plan administration steps to prepare for, deploy, and oversee Component workforce plan development.</li> <li>• Established an organization to focus on human capital data governance and analytics. This organization, with support from the DHS-wide Data Governance Working Group, continues to determine and implement data standards to ensure compliance across the Department.</li> <li>• Implemented the Balanced Workforce Assessment Tool (BWAT) in February 2014 and required Components to use this tool to analyze all proposed requirements for service valued at \$150,000 or more. The BWAT recommends the proper balance of federal and contractor employees for programs and functions. The Balanced Workforce Strategy</li> </ul>



CURRENT STATUS	
August 2016 Rating	Accomplishments
	<p>Division monitors Component use of the BWAT on a regular basis. Audits of Component implementation and use of the Balanced Workforce Strategy/BWAT were completed for U.S. Immigration and Customs Enforcement, the National Protection and Programs Directorate, U.S. Citizenship and Immigration Services, the Federal Emergency Management Agency, Federal Law Enforcement Training Centers and the Transportation Security Administration.</p>

PLAN TO FULLY ADDRESS OUTCOME			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for Change/Notes
Complete a full cycle of the workforce planning process.	July 2016	July 2016	Components will complete the cycle of the workforce planning process to identify human capital requirements, resources, gaps, and action plans for 17 priority MCOs, comprising 70% of the DHS workforce.
Begin second cycle of assessing current and desired staffing and competency levels, and resulting gaps for MCOs.	March 2016	March 2016	<b>Targeting a “Fully Addressed” rating.</b> Following revalidation of the MCOs, DHS launched a new cycle of workforce planning for all 17 priority MCOs.
Evaluate and report the results of gap closure strategies, including analyzing trends, identifying risk areas, and ensuring integration into human capital strategic and operational plans.	December 2015	December 2015	The evaluation and results of the gap closure strategies were completed. The final report included trends and identified risk areas integrated into the human capital strategic and operational plans.
Assess action-plan progress on skills gaps in nine mission-critical occupations and three competency assessment pilot occupations. Adjust strategies and action items as needed.	September 2015	September 2015	The Office of the Chief Human Capital Officer collected Component action-plan updates that reported progress on skills-gap closure activities in nine mission-critical occupations and three competency assessment pilot occupations.
Revalidate DHS MCOs (conducted biannually).	August 2015	March 2016	<b>Sustaining a “Mostly Addressed” rating.</b> The DHS MCO revalidation was postponed to ensure alignment with the government-wide MCO identification efforts outlined by the Office of Personnel Management. The biennial MCO list was approved by the Chief Human Capital Officer on March 2, 2016.



PLAN TO FULLY ADDRESS OUTCOME			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for Change/Notes
Released the updated DHS Workforce Planning Guide and tools based on Component feedback on their usefulness and integrate additional tools and resources.	July 2015	July 2015	The updated guide was released in July 2015. Updates were based on feedback from a Component-led focus group, lessons learned from the workforce planning cycle, government-wide practices, and external research. The Office of Personnel Management has shared the Department's workforce planning guide with other federal agencies as a template.
Assess action-plan progress on skills gaps in nine MCOs and three competency assessment pilot occupations. Adjust strategies and action items as needed.	June 2015	June 2015	Quarterly assessment.
Revise and update the human capital dashboard based on stakeholder feedback and align key indicators with HRstat measures.	April 2015	March 2015	An upgrade to the dashboard included adding attrition rates across the Department using the new formula (averaging the number of employees). The Office of the Chief Human Capital Officer is developing a five-year data management plan with Components. This plan will include alignment of key performance indicators to the DHS strategic plan and HRstat measures. The plan, with the indicators, is current as of September 30, 2015.
Assess action-plan progress on skills gaps in nine MCOs and three competency assessment pilot occupations. Adjust strategies and action items as needed.	March 2015	June 2015 (12 of 12 complete)	DHS requested submission of updated action plans and received 11 of 12 plans by April 30, 2015. The final plan was received on June 4, 2015.
Revise and update the human capital dashboard based on stakeholder feedback.	January 2015	January 2015	Dashboard includes key performance indicators. A demonstration was provided at HRstat meeting on December 10, 2015. The list of key indicators continues to be updated and expanded. Attrition rate data was added January 16, 2015.



**Human Capital Management Outcome #3**

**Outcome Lead:** Ginny Berry  
**Outcome Executive:** Junish Arora

**GAO Outcome:** Recruiting and Outreach Strategy – Develop and demonstrate sustained progress in implementing a recruiting strategy that is targeted to fill both short- and long-term needs, and specifically to fill identified human capital gaps, including diversity and foreign-language gaps.

**Contributing Initiatives:**

- Initiative 3 – Implementing the Human Capital Strategic Plan
- Initiative 5 – IT Human Capital Management

**Integrated Priority Linkages:**

- 4.1 – Cybersecurity and Technology Workforce
- 4.2 – Efficient and Effective End-to-End Hiring Process

CURRENT STATUS	
August 2016 Rating	Accomplishments
	<p><b>GAO rated this Outcome “Mostly Addressed.” DHS has since made substantial strides toward achieving a rating of “Fully Addressed.”</b></p> <p>The Department has been actively implementing the DHS Coordinated Recruiting and Outreach Strategy (CROS) since 2011. The CROS has the dual goals of increasing outreach to diverse demographic groups and enhancing efficiencies in recruiting across the Department. The implementation of the CROS has also enhanced partnerships between Component recruiting and workforce planning teams. GAO audit 13-742 resulted in only one recommendation regarding the tracking of recruiting and outreach costs.<sup>20</sup> As of October 2015, this recommendation has been closed. To further support this Outcome rating, DHS has conducted the following activities:</p> <ul style="list-style-type: none"> <li>• Revised the Component Recruitment and Outreach Plan (CROP) template to enhance recruiting efforts to meet current and long-term needs. This process required Component recruiters to collaborate with workforce planners to identify staffing and capability gaps for the next two years.</li> <li>• Revised and implemented an accountability checklist to assess the CROP submissions.</li> <li>• Finalized updates to the DHS CROS to better align the goals and objectives, enhance the performance metrics, and incorporate other updates commensurate to the current fiscal environment. DHS leaders are reviewing submissions and the document is expected to be finalized by the end of FY 2016.</li> <li>• Continued collection and analysis of data through the DHS Recruiting and Outreach Cost Tracker. Components began submitting recruiting cost information to the Office of the Chief Human Capital Officer in the first quarter of FY 2014. Submission of marketing expenses began in the first quarter of FY 2015. Both data sets are being collected and analyzed with full compliance from Components.</li> <li>• Analyzed the Department’s performance on major entry programs such as Pathways programs, and on Millennials in general. Pathways programs showed a 175% increase in total participants from FY 2013 (173 participants) to FY 2014 (372 participants) and a</li> </ul>

<sup>20</sup> U.S. Government Accountability Office, *DHS Recruiting and Hiring: DHS Is Generally Filling Mission-Critical Positions, but Could Better Track Costs of Coordinated Recruiting Efforts*, Report to Congressional Requesters, GAO 13-742 (Washington, D.C., September 2013).



CURRENT STATUS	
August 2016 Rating	Accomplishments
	<p>12% increase in FY 2015 (406 participants), with strong demographic diversity. Millennials at DHS are more diverse than the already diverse overall workforce, with almost 50% of Millennials identifying as a member of a minority racial or ethnic group.</p> <ul style="list-style-type: none"> <li>Finalized memoranda of understanding with the major minority higher education associations that together represent over 1,500 Minority Serving Institutions in order to increase communication about employment opportunities at DHS to diverse populations of students and recent graduates and to receive information about major activities related to the associations or member Minority Serving Institutions.</li> <li>Transformed the DHS Recruiter Training into a virtual format. The training is designed to reduce costs and enhance collaboration by enabling DHS to send local recruiters with general knowledge about employment opportunities across DHS. To date, over 450 DHS Recruiters have been trained. Current proposed revisions include interactive discussion boards, knowledge checks, and video scenarios.</li> <li>Revalidated the Top Recruiting and Outreach Events list to target individuals with disabilities. DHS met its goal of 10% new hires of individuals with disabilities in the third quarter of FY 2015 and has sustained it ever since. As a result, DHS increased its FY 2016 goal to 12% and is striving to meet it by the end of the fiscal year.</li> <li>Coordinated DHS Component engagement at high-value diverse recruiting opportunities, including five major annual law enforcement training events targeting diverse populations to ensure a unified Department recruiting message. Law-enforcement-related positions are the largest mission-critical occupational group for DHS.</li> <li>Regarding foreign-language gaps, the recommendation relating to foreign-language assessments in GAO-10-714, <i>DHS Needs to Comprehensively Assess Its Foreign Language Needs and Capabilities and Identify Shortfalls</i>, has been closed.<sup>21</sup></li> <li>Continue implementation of the Department’s IT strategy and planning for recruitment to ensure the availability of a community of highly skilled IT professionals and the IT infrastructures needed to promote a secure America. The Office of the Chief Information Officer will continue to leverage the DHS Human Capital Strategic Plan and Department-wide recruitment efforts through the DHS Corporate Recruiting Council to continue implementation of this plan.</li> </ul>

PLAN TO FULLY ADDRESS OUTCOME			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for change/notes
Request GAO assess the implementation of the revised DHS CROS and the status of this Outcome.	September 2016		Targeting a “Fully Addressed” rating.
Revise the CROS to better align the goals and objectives, enhance the performance metrics, and incorporate other updates commensurate to the current fiscal environment.	August 2016	August 2016	The updated CROS is expected to be signed by the end of August 2016.

<sup>21</sup> U.S. Government Accountability Office, *Department of Homeland Security: DHS Needs to Comprehensively Assess Its Foreign Language Needs and Capabilities and Identify Shortfalls*, Report to the Subcommittee on Oversight of Government Management, the Federal Workforce, and the District of Columbia, Committee on Homeland Security and Governmental Affairs, U.S. Senate, GAO-10-714 (Washington, D.C., June 2010).



PLAN TO FULLY ADDRESS OUTCOME			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for change/notes
Analyze quarterly DHS recruiting and marketing costs.	July 2016	July 2016	Recruiting and marketing costs were collected and analyzed for the third quarter of FY 2016.
Finalize FY 2016 Q2 diversity dashboard.	April 2016	June 2016	The diversity dashboard is an enhancement to the human capital dashboard that includes additional diversity measures and analysis.
Analyze quarterly DHS recruiting costs.	April 2016	May 2016	Recruiting and marketing costs were collected and analyzed for Q1 and Q2 of FY 2016.
Analyze quarterly DHS recruiting and marketing costs.	January 2016	February 2016	A data call was issued to Components to collect recruiting and marketing cost information for Q1 FY 2016. Responses will be collected from all Components and consolidated into one chart.
Submit DHS Disabled Veterans Affirmative Action Program Report to the Office of Personnel Management.	December 2015	December 2015	<b>Targeting a “Mostly Addressed” rating.</b> The report was submitted to the Office of Personnel Management.
Assess Component portfolios and recruitment plans using accountability checklist.	November 2015	December 2015	All FY 2016 CROPs have been received and reviewed using the accountability checklist as a guide. Final scores have been assessed; Components will be provided the results prior to developing FY 2017 CROPs.



**Human Capital Management Outcome #4**

**Outcome Lead:** Marian Manlove  
**Outcome Executive:** Gwen Yandall

**GAO Outcome:** Leverage Competencies and Individual Performance – Base hiring decisions, management selections, promotions, and performance evaluations on human capital competencies and individual performance in order to support the agency's overall goals and missions. This includes linking individuals' performance plans and evaluations to the agency's overall plans and performance to create a "line of sight" between individual performance and agency success.

**Contributing Initiative:** Initiative 3 – Implementing the Human Capital Strategic Plan

**Integrated Priority Linkage:** 4.3 – Employee Engagement and Workforce Development

Current Status	
August 2016 Rating	Accomplishments
	<p><b>GAO rated this Outcome “Mostly Addressed.” DHS has since made substantial strides toward achieving a rating of “Fully Addressed.”</b></p> <p>In May 2016, GAO confirmed that DHS demonstrated that individual performance plans and evaluations are linked to the agency’s overall plans and performance to create a “line of sight” between individual performance and agency success.</p> <p>GAO requested that DHS show through the audit process that hiring decisions, management selections, and promotions are generally competency-based. DHS demonstrated this linkage by sharing numerous audit results and additional documentation.</p> <p>In June 2016, DHS provided evidence to GAO, including audit checklists for Delegated Examining Unit audits mapped to the Merit Promotion checklist to show the relationship between delegated examining and merit promotion for selection, promotion, and hiring. In August 2016, additional information was provided to show the nexus between DHS policies that illustrate merit-based hiring and DHS selections that prove the theory is in practice. The documents provided to GAO are meant to illustrate the hiring process, which is fairly standard across the Federal government, and the way competencies are used throughout the process. This evidence supports utilizing job analyses (produced by Components during the initial stages of the hiring/promotion process) to identify required human capital competencies for positions. The identified competencies are documented in the job announcements and should be evident in the applicants’ resume.</p>



Plan to Fully Address Outcome			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for change/notes
Provide evidence that components are basing management selections and promotions on human capital competencies in practice.	June 2016	June 2016	<p><b>Targeting a “Fully Addressed” rating.</b></p> <p>In June 2016, DHS provided GAO Delegated Examining Unit audit checklists which map to the Merit Promotion Human Resources Operational Audit checklist. Both show the relationship between DE and MP for selection, promotion, and hiring, respectively. In order to show a clear nexus between theory and practice, DHS provided additional documentation to GAO in July 2016.</p>
Provide evidence that DHS responded to GAO’s September 2015 request.	December 2015		The Office of Personnel Management (OPM) conducted an audit of the Department’s human capital function during FY 2015. Onsite evaluations were conducted January through June 2015. The final report is expected in August 2016. DHS has responded to GAO requests for evidence.
Develop action plan based on survey results on selection and promotion decisions being based on individual performance (if needed).	August 2015	August 2015	This action was completed.
Conduct analysis of survey data on selection and promotion decisions being based on individual performance.	July 2015	July 2015	This action was completed.
Receive survey data from the OPM on selection and promotion decisions being based on individual performance.	June 2015	June 2015	Data received from OPM.
Request from relevant Components a formal plan/timeline that transitions their entire population to the DHS-wide program policy that features cascading goals and employee-validated competencies.	June 2015	June 2015	Prior to implementation, unions were notified and provided an opportunity to bargain over the impact and implementation of transitioning to the DHS-wide program policy.



Plan to Fully Address Outcome			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for change/notes
OPM conducts survey with a specific question on selection and promotion decisions being based on individual performance of Components during FY 2015 Departmental audit.	February – June 2015	June 2015	This action was completed.



**Human Capital Management Outcome #5**

**Outcome Lead:** Diane Cole/Alisa Green

**Outcome Executive:** Clothilda Taylor

**GAO Outcome:** Employee Input – Seek employees' input on a periodic basis and demonstrate measurable progress in implementing strategies to adjust human capital approaches. Input could be collected through employee satisfaction surveys, focus groups, or employee advisory councils, or by including employees on task forces.

**Contributing Initiative:** Initiative 3 – Implementing the Human Capital Strategic Plan

**Integrated Priority Linkage:** 4.3 – Employee Engagement and Workforce Development

Current Status	
August 2016 Rating	Accomplishments
	<p><b>GAO rated this Outcome “Partially Addressed.” DHS has since made substantial strides toward achieving a rating of “Mostly Addressed.”</b></p> <p>The following activities are indicative of recent DHS progress in this area:</p> <ul style="list-style-type: none"> <li>• The Secretary appointed the Under Secretary for Management (USM) to oversee a Department-wide effort to increase engagement with employees.</li> <li>• The Secretary and Deputy Secretary traveled around the country to meet with employees to show appreciation for service, recognize achievements, and hold town halls to solicit feedback.</li> <li>• The Secretary posed as an “undercover boss” to experience what front-line workers encounter on a daily basis.</li> <li>• Federal Employee Viewpoint Survey (FEVS) marketing efforts yielded a 3% response-rate increase. The Department’s FEVS response rate in 2016 was more than 4% higher than the government-wide average.</li> <li>• An agency-specific question was added to the FEVS to determine employees’ targeted interests and to further understand who they consider to be senior leadership when answering questions pertaining to “Senior Leader”.</li> <li>• Component heads developed and signed custom action plans for their organizations for the first time in the Department’s history. Progress on these plans is regularly tracked and reported to the USM.</li> <li>• DHS Component leaders have established employee engagement committees to provide input and insight into engagement issues and activities and have also created peer-to-peer recognition programs.</li> </ul>

Plan to Fully Address Outcome			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for change/notes
Provide evidence of sustained progress in seeking employee feedback (e.g., continuing surveys, action-plan implementation).	January 2018		<p><b>Targeting a “Fully Addressed” rating.</b></p> <p>For this Outcome to be Fully Addressed, GAO requires two years of sustainment, which began in January 2016 (see “Targeting “Mostly Addressed” rating action below).</p>



Plan to Fully Address Outcome			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for change/notes
Components to provide action plans incorporating 2016 FEVS results.	December 2017		
Secretary to communicate FEVS results upon receipt from the Office of Personnel Management (OPM).	September 2016		
Components provide updates to February action plans based on progress since 2015 FEVS.	July 2016	July 2016	The Office of the Chief Human Capital Officer will review plans and provide feedback to Components if applicable.
Work with Components to identify remedial actions based on OPM audits, which include employee feedback.	November 2015 - June 2016	June 2016	<b>Targeting a “Mostly Addressed” Rating.</b> Employee input mechanisms demonstrated on an ongoing basis (began in November 2015). OPM DHS 2015 Audit Report anticipated in August 2016.
Component heads submit signed Employee Engagement Action Plans to the USM.	January 2016	January 2016	This action was completed. Plans were reviewed and evaluated and feedback was provided to Components.
Labor and Component representatives report out on changes to Component Labor Management Action Plans.	January 2016	August 2016	This delay was due to scheduling conflicts. If the Labor Management Forum has not taken place by September 2016, the Office of the Chief Human Capital Officer will pursue alternate means of plan submission.
Continue survey communication and action-plan implementation cycles for Components.	Ongoing	Ongoing	
Implement enhanced employee messaging/Communications Strategic Plan.	Ongoing	Ongoing	The plan includes multiple site visits, town halls, and video messaging by the Deputy Secretary and other leaders on an ongoing basis.



**Human Capital Management Outcome #6**

**Outcome Lead:** Diane Cole/Alisa Green  
**Outcome Executive:** Clothilda Taylor

**GAO Outcome:** Federal Employee Viewpoint Survey (FEVS) – Improve the Department’s scores on the Office of Personnel Management’s FEVS within the four Human Capital Assessment and Accountability Framework indices: (1) leadership and knowledge management, (2) results-oriented performance culture, (3) talent management, and (4) job satisfaction. DHS should also seek to improve its ranking on the Partnership for Public Service’s Best Places to Work in the Federal Government.

**Contributing Initiative:** Initiative 3 – Implementing the Human Capital Strategic Plan

**Integrated Priority Linkage:** 4.3 – Employee Engagement and Workforce Development

Current Status	
August 2016 Rating	Accomplishments
<p>LEGEND                  &gt; GAO Rating &lt;</p>	<p><b>GAO rated this Outcome “Partially Addressed.”</b> In December 2015, GAO stated that DHS will not reach a “Fully Addressed” rating on this Outcome until the Department improves and sustains its FEVS scores. Results are not yet available for 2016. DHS expects that increased rating in survey results will Nonetheless the following actions show the Department’s continued efforts:</p> <ul style="list-style-type: none"> <li>• Components submitted FEVS action plans to the Under Secretary for Management (USM). For the first time in the Department’s history, the action plans were signed by Component heads. Plans are being monitored by the Components and the Employee Engagement Steering Committee, chaired by the USM.</li> <li>• Created and field-tested a series of tools (at the enterprise level – U.S. Customs and Border Protection, U.S. Immigration and Customs Enforcement, and the National Protection and Programs Directorate) for enhancing leadership’s capability to solicit information and suggestions from employees through various means, including an innovation toolkit, a guide to conducting town hall meetings and a “stay interview” guide. DHS established the Leadership Resource Center on the DHS intranet to house these resources.</li> <li>• Disseminated targeted communications to various tiers of leadership and created new communications tools, including “Leader Alerts” for executives, supervisors and managers and <i>Connected</i>, a monthly all-employee e-newsletter.</li> <li>• Distributed a “Welcome to DHS” video for all new-employee orientations at the Department.</li> <li>• Launched a behavioral interview question bank to help hiring managers identify positive, engagement-oriented attitudes and behaviors among senior executive job candidates.</li> <li>• Began pilots of New Inclusion Quotient (New IQ) training. The New IQ index is used in the FEVS and consists of 20 questions that relate to inclusive work environments. The idea behind this initiative is that individual behaviors, repeated over time, create the necessary habits for inclusiveness. The Department is working with federal partners, including the Office of Personnel Management (OPM), to refine New IQ training and share best practices.</li> <li>• Required all Components to align to the five tiers of the DHS Leader Development Framework. DHS is working toward fully implementing all tiers.</li> <li>• Upheld the commitment to holding the annual Secretary’s awards ceremony after a multi-year hiatus. The ceremony occurred in November 2015.</li> <li>• Components submitted FEVS action plans to the Under Secretary for Management (USM). For the first time in the Department’s history, the action plans were signed by</li> </ul>



Current Status	
August 2016 Rating	Accomplishments
<p>LEGEND                      &gt; GAO Rating &lt;</p>	<p>Component heads. Plans are being monitored by the Components and the Employee Engagement Steering Committee, chaired by the USM.</p> <ul style="list-style-type: none"> <li>All DHS Components have established employee engagement committees to provide input and insight into engagement issues and activities. They have also created peer-to-peer recognition programs.</li> </ul>

Plan to Fully Address Outcome			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for change/notes
Receive results from 2017 FEVS and continue cycle of communication and employee engagement action-plan implementation.	Q1 FY 2018		<b>Targeting a “Fully Addressed” rating.</b> According to GAO, improved scores must be sustained over a two-year period in order to be fully addressed.
Receive results from 2016 FEVS and continue cycle of communication and employee engagement action-plan implementation.	Q1 FY 2017		<b>Targeting a “Mostly Addressed” rating.</b>
Establish new comprehensive leave policy including family-friendly leave provisions and assist Components with implementation.	November 2016		Draft DHS Management Directive on Leave Administration and five separate implementing Instructions. Provide drafts to Components for review and input.
Hold annual Secretary’s Award Ceremony.	October 2016		This is an annual event.
Revise DHS New IQ pursuant to lessons learned from pilots.	October 2015	August – September 2016	This action was delayed due to a schedule slip on an earlier and dependent task (see “Implement second New IQ pilot in DHS-HQ”).
Assess DHS New IQ pilots through training-related outcomes and metrics.	September 2015	July 2016	This action was delayed due to a schedule slip on an earlier and dependent task (see “Implement second New IQ pilot in DHS-HQ”).
Create new implementation strategy (and training plan) that assists Components with implementation of the updated DHS-wide Performance Management and Appraisal Program.	December 2015	July 2016	DHS Performance Management and Appraisal Directive and Instruction are pending OPM’s Department-wide Human Resources Audit results.



Plan to Fully Address Outcome			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for change/notes
Explore conducting a train-the-trainer program for DHS in partnership with OPM based on feedback from the pilot sessions.	November – December 2015	April – May 2016	This action was delayed due to a schedule slip on an earlier and dependent task (see “Implement second New IQ pilot in DHS-HQ”).
Analyze 2015 FEVS data to identify work-life pain points and meet with Component point of contacts to determine steps forward for achieving change.	December 2015	March 2016	Delayed to incorporate additional input for analysis.
Submission of modified Component FEVS action plans to include any 2015 updated actions.	December 2015	January 2016	Components submitted updated action plans, signed by their Component heads, to the USM.
Receive results from 2015 FEVS, and continue cycle of communication and employee engagement action plan implementation.	Q1 FY 2016	October 2015	This action was completed.
Implement second New IQ pilot in DHS Headquarters.	July – August 2015	April – June 2016	Materials are being re-evaluated and refined based on input from the Office of the Chief Human Capital Officer pilot sessions. This pushed the schedule back nine months to ensure proper execution.
Continue to coordinate with U.S. Secret Service and U.S. Coast Guard on delivery of New IQ training.	Ongoing	Ongoing	
Partner with OPM, the Federal Bureau of Investigation and the U.S. Patent and Trademark Office on refinements to New IQ training and share best practices.	Ongoing	Ongoing	This is an ongoing action. Working with partners to refine New IQ training and share best practices.



**Human Capital Management Outcome #7**

**Outcome Lead:** Kirstin Austin  
**Outcome Executive:** Clothilda Taylor

**GAO Outcome:** Assess Development Programs - Develop and implement a mechanism to assess education, training, and other development programs and opportunities to help employees build and acquire needed skills and competencies. This includes making demonstrated, sustained progress in implementing and assessing a formal training and development strategy, providing formal and on-the-job training opportunities, supporting individual development plans, developing rotational assignments and opportunities, and allowing for formal and informal mentoring relationships among employees and managers.

**Contributing Initiative:** Initiative 3 – Implementing the Human Capital Strategic Plan

**Integrated Priority Linkage:** 4.3 – Employee Engagement and Workforce Development

CURRENT STATUS	
August 2016 Rating	Accomplishments
	<p><b>GAO rated this Outcome “Partially Addressed.” DHS has since made substantial strides toward achieving a rating of “Mostly Addressed.”</b> By the end of 2016, the component rollout of the PALMS Learning Management will be complete. DHS believes this accomplishment supports a “Fully Addressed” rating and will request a review by GAO. This assessment is the result of significant progress made in institutionalizing policy and practices that support sound training, education, and leader development programs and outcomes. DHS will continue ensuring these mechanisms are facilitating sustainability into the future. The following activities support this rating:</p> <p><b>The Learning Organization:</b></p> <ul style="list-style-type: none"> <li>• The management directive and instruction for employee learning and development is expected to be issued by the end of FY 2016. Implementation is currently underway.</li> <li>• The management directive and instruction on employee developmental rotations was issued in August 2016. Implementation is currently underway (rotation programs have been operational in DHS since 2010).<sup>22</sup></li> <li>• Issued and implemented the <i>DHS Training Needs Assessment Guide and Learning Evaluation Guide</i> in April 2016.</li> <li>• The DHS Chief Learning Officer’s Council, as part of the approved Workforce Development Plan, conducted an evaluation of training needs assessment and evaluation practices. A report, <i>Self-Assessment of DHS Training Needs Assessment and Learning Evaluation Programs</i>, was issued in March 2016.</li> <li>• The DHS Workforce Development Plan was implemented in October 2015 through a number of key actions:             <ul style="list-style-type: none"> <li>○ Continued implementation of the four remaining tiers of the DHS Leader Development Framework: 1) Foundations Program; 2) Milestone Program; 3) Keystone Program; and 4) Capstone Program.</li> <li>○ Collaboration with the Office of the Chief Financial Officer to 1) issue guidance to improve the coding and reporting of training costs; and 2) conduct an evaluation of new coding and reporting procedures one year after implementation. New accounting codes to be rolled out in FY 2017.</li> </ul> </li> </ul>

<sup>22</sup> U.S. Department of Homeland Security, *Employee Developmental Rotations Policy*, August 4, 2016, 250-01.



CURRENT STATUS	
August 2016 Rating	Accomplishments
<div style="border: 1px solid #ccc; padding: 5px; margin-bottom: 5px;"> <p style="text-align: center; background-color: #d9d9d9; margin: 0;">Fully Addressed</p> <p style="text-align: center; background-color: #0070c0; color: white; margin: 0;"><b>Mostly Addressed</b></p> <p style="text-align: center; background-color: #d9d9d9; margin: 0;">Partially Addressed</p> <p style="text-align: center; background-color: #d9d9d9; margin: 0;">Initiated</p> <p style="text-align: center; background-color: #d9d9d9; margin: 0;">Not Initiated</p> </div> <div style="border: 1px solid #ccc; padding: 5px; margin-bottom: 5px;"> <p style="text-align: center; font-size: small;">LEGEND</p> <p style="text-align: center; font-size: x-small;">) GAO Rating (&lt;</p> </div>	<ul style="list-style-type: none"> <li>o Implementation of DHS-wide mandatory training guidance and review processes. A mandatory training policy will be issued by the end of FY 2016.</li> <li>o Developing and implementing cross-cutting metrics to evaluate learning and development program performance.</li> <li>o DHS-wide internal review of targeted training needs assessment and evaluation practices.</li> <li>o Development of a DHS education strategy based on an evaluation of current DHS education programs.</li> <li>o DHS-wide internal review of current use of learning technologies across the Department. The Office of the Chief Human Capital Officer is currently analyzing data to identify best practices and areas for improvement.</li> <li>• Continue ensuring Human Resources Operation Audits demonstrate component compliance with finalized DHS training and leader development policies.             <ul style="list-style-type: none"> <li>o For the audits completed FY 2015 – 2016, DHS provided updated checklists on training and leader development for use by the audit teams.</li> <li>o The focus for the upcoming audits is on Delegated Examining Unit. Learning and Knowledge Management, the audit category that includes training and leader development, will be reviewed in FY 2017 or 2018.</li> </ul> </li> <li>• Fully implement the learning management systems module of Performance and Learning Management System (PALMS) within the Components. Following are the DHS Components that have implemented the learning management system module in PALMS, and their respective Go-Live dates:             <ul style="list-style-type: none"> <li>o U.S. Customs and Border Protection (CBP), July 13, 2015.</li> <li>o Federal Law Enforcement Training Centers (FLETC), December 10, 2015.</li> <li>o Immigration and Customs Enforcement, June 1, 2016.</li> <li>o Headquarters (HQ), October 6, 2016.</li> <li>o The planned Go-Live dates for U.S. Citizenship and Immigration Services (USCIS) is October 1, 2016 and for U.S. Secret Service (USSS) is November 30, 2016.</li> </ul> <p>The Federal Emergency Management Agency, Transportation Security Administration and U.S. Coast Guard will not implement PALMS, based on the decision made by the Acquisition Review Board in June 2016 resulting from a review of Component business cases. The systems used by these Components provide training management equivalent to PALMS.</p> </li> <li>• Continued ensuring the use of competency gap analysis to guide training efforts and assess training programs.             <ul style="list-style-type: none"> <li>o Determined the most appropriate solutions to address gaps identified in the previous year's Component-prepared competency gap analyses.</li> <li>o Training is not the solution to all competency gaps. Training should be used when a skills or knowledge gap exists that is best met through a learning intervention. Competency gaps are also addressed through other means (e.g., recruitment, job redesign and performance support). Proper responses to competency gaps are discussed in the DHS Training Needs Assessment Guide.</li> <li>o The competency gap analysis initiated in June, 2016 contains the same steps as above. The nature of the gaps will guide whether training is the appropriate response.</li> </ul> </li> </ul>



CURRENT STATUS	
August 2016 Rating	Accomplishments
<div style="border: 1px solid #ccc; padding: 5px; margin-bottom: 5px;"> <p style="text-align: center;">Fully Addressed</p> <p style="text-align: center; background-color: #0070c0; color: white;">Mostly Addressed</p> <p style="text-align: center; background-color: #0070c0; color: white;">Partially Addressed</p> <p style="text-align: center; background-color: #0070c0; color: white;">Initiated</p> <p style="text-align: center; background-color: #0070c0; color: white;">Not Initiated</p> </div> <div style="border: 1px solid #ccc; padding: 5px;"> <p style="text-align: center; font-weight: bold;">LEGEND</p> <p style="text-align: center;">) GAO Rating (</p> </div>	<p><b>Leader Development:</b></p> <ul style="list-style-type: none"> <li>• Continued implementing the four remaining tiers of the DHS Leader Development Framework: 1) Foundations Program; 2) Milestone Program; 3) Keystone Program; and 4) Capstone Program.</li> <li>• Conducted Component-specific consultations to identify strengths and gaps; developed instructional products to address gaps.</li> <li>• Delivered Executive Capstone Cohorts 4 and 5. Findings from Executive Results Projects, including innovative solutions to address strategic human capital issues, are being presented to the Human Capital Leadership Council for consideration.</li> <li>• Improved the data collection methodology for the Leader Development Semi-Annual Data Call and expanded the Leader Development Dashboard to reflect new programs.</li> <li>• Developed a mechanism within the Learning Management System to consistently identify, assign, track, and document all Leader Development Program requirements across Components. Components not on PALMS will implement the same mechanism. This ensures DHS has the capability to efficiently capture and analyze DHS-wide data on common leader-development activities.</li> <li>• Expanded the DHS Coaching Collaborative to support a community of practice of certified leadership coaches from across the Department. DHS employees and organizations may connect with coaches through the Coaching Talent Bank.             <ul style="list-style-type: none"> <li>○ Hosted developmental workshops for coaches and sponsored a “Speed Coaching” workshop to introduce employees to the benefits of coaching.</li> <li>○ Coordinated participation in the Federal Coaching Program managed through the Office of Personnel Management. The FY 2015 program had 50 applicants for 5 positions.</li> </ul> </li> <li>• Continued promoting highly developed cohort-program graduates. The Certified Talent Referral Service connects certified graduates of the Senior Executive Service Candidate Development Program with hiring managers for critical executive vacancies. The DHS Senior Fellows Talent Bank offers graduates who can serve as situational consultants or on rotations to assist DHS leaders in achieving organizational results.</li> <li>• Continued strengthening leaders’ diversity in skills and perspectives, in support of Unity of Effort, through joint assignments and tiered leadership training that emphasizes an enterprise-wide view (e.g., mandatory cross-Component developmental rotations for the Senior Executive Service Candidate Development Program). DHS plans to build on this foundation to further ensure DHS personnel are knowledgeable about both operational and mission support Component functions.</li> <li>• Launched the fifth Senior Executive Service Candidate Development Program cohort in FY 2016. Placement rates exceed typical federal standards (DHS rate is over 50%, government-wide is 32%). DHS attributes this to a vigorous investment in executive sponsorship, a dynamic and effective curriculum, and a selection approach based on factors validated to result in executive success.</li> </ul>



Plan to Fully Address Outcome			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for change/notes
PALMS Learning Management System rolled-out across Components.	December 2016	CBP 07/13/15 HQ 10/06/15 FLETC 12/10/15 ICE 06/01/16	<b>Targeting a “Fully Addressed” rating.</b> PALMS is currently deployed to CBP, FLETC, ICE, and HQ (which includes the National Protection and Programs Directorate). The remaining Components are scheduled for FY 2016/2017 <ul style="list-style-type: none"> <li>• USCIS – October 2016</li> <li>• USSS – November 2016</li> </ul>
Assess first-year Workforce Development Plan actions.	September 2016		<b>Targeting a “Mostly Addressed” rating.</b>
Issue the Rotations Management Directive (MD) and Instruction.	September 2016		Both the MD and instruction are in the final stages of formal review. Targeted for issuance September 2016.
Provide evidence that gap analysis results are being used to improve Knowledge, Skills and Abilities.	September 2016		Review Components’ workforce plans to inform learning and development programs.
Track compliance through Human Resources Operation Audits.	December 2015	August 2015	Incorporated leadership development and training items.
Issue the Workforce Development Plan, implement planned actions.	September 2015	October 2015	The FY 2016 – 2017 DHS Workforce Development Plan was reviewed and approved by the Chief Learning Officer’s Council and issued October 2015 – implementation is underway.
Issue the MD and Instruction “Employee Learning and Development”.	July 2015	September 2016	MD and Instruction is targeted for issuance by the end of FY 2016.
Issue the <i>Needs Assessment Guide</i> , assess Component needs assessment practices.	July 2015	April 2016	This action was delayed to ensure that recommendations from a related Office of Inspector General report and an internal review of training programs could be addressed in the policy and guidance.
Issue the <i>Training Evaluation Guide</i> , assess Component training evaluation practices.	July 2015	April 2016	This action was delayed in order to ensure that recommendations from a related Office of Inspector General report and an internal review of training programs could be addressed in the policy and guidance.



**IT Management Outcome #1**

**Outcome Lead:** Benjamin Black  
**Outcome Executive:** Luke McCormack

**GAO Outcome:** Demonstrate through an independent assessment that DHS has achieved Stage 4 of GAO’s Enterprise Architecture Management Maturity Framework (EAMMF) Version 2.0.

**Contributing Initiative:** Initiative 4 – IT Program Governance

**Integrated Priority Linkage:** 3.3 – Reliable Technology Infrastructure

CURRENT STATUS	
August 2016 Rating	Accomplishments
<div style="display: flex; align-items: center;"> <span style="font-size: 2em; margin-right: 5px;">&gt;</span> <div style="border: 1px solid #ccc; padding: 5px; width: 100px;"> <p style="text-align: center; margin: 0;">Fully Addressed</p> <p style="text-align: center; margin: 0;">Mostly Addressed</p> <p style="text-align: center; margin: 0;">Partially Addressed</p> <p style="text-align: center; margin: 0;">Initiated</p> <p style="text-align: center; margin: 0;">Not Initiated</p> </div> <span style="font-size: 2em; margin-left: 5px;">&lt;</span> </div> <div style="border: 1px solid #ccc; padding: 5px; width: fit-content;"> <p style="text-align: center; margin: 0;">LEGEND</p> <p style="text-align: center; margin: 0;">&gt; GAO Rating &lt;</p> </div>	<p><b>GAO rated this Outcome “Fully Addressed.”</b> EAMMF Stage 4 was achieved and an independent assessment was conducted to validate this accomplishment.</p> <p>DHS continues to provide substantial evidence to demonstrate that Enterprise Architecture is continuously maturing after achieving Stage 4 of GAO’s EAMMF. DHS has a framework of Enterprise Architecture products that provide a meaningful basis for informing investments and building greater EA scope, content, use, and results. Specific DHS accomplishments include:</p> <ul style="list-style-type: none"> <li>• Implemented DHS Collaboration Architecture Methodology which ensures that architectures can support investment planning and provides a repeatable approach across the Department.</li> <li>• Aligned with the Joint Requirements Council (JRC):             <ul style="list-style-type: none"> <li>○ JRC portfolios are based on the Enterprise Architecture capabilities taxonomy.</li> <li>○ Existing segment architecture efforts are integrated with the JRC portfolio teams.</li> </ul> </li> <li>• Enterprise Architecture is leveraged by DHS leadership to inform organization strategic planning. For example, the enterprise architecture cyber maturity model shows which investments are most effective to buy down risk.</li> <li>• Enterprise Architecture results and Outcomes are measured and reported.</li> <li>• Initial versions of corporate “as-is” and “to-be” Enterprise Architecture and sequencing plan have been created.</li> <li>• Enterprise Architecture captures performance, business, data, services, technology, and security views.</li> <li>• Architecture products are being developed according to the Enterprise Architecture content framework.</li> </ul>



PLAN TO FULLY ADDRESS OUTCOME			
Actions	Projected Date	Actual/ Adjusted Date(s)	Reason for Change/Notes
Report Enterprise Architecture program performance through the OMB Enterprise Roadmap.	October 2016		<b>Sustaining a “Fully Addressed” rating.</b> Conducted annually.
Review EAMMF biannually, incorporate updates to segment architecture, and integrate Enterprise Architecture processes with other management functions through the Enterprise Architecture Center of Excellence.	July 2016	July 2016	Headquarters and Component Enterprise Architecture programs are assessed twice a year. Enterprise Architecture is targeting a .1 increase in the score each year up to a target of 5.0 for FY 2019 and beyond.  The 2016 Assessment demonstrated that DHS is at EAMMF Level 4.6, which represents a significant level of maturity for an Enterprise Architecture program and is on track to meet the goal of 5.0.
Report Enterprise Architecture program performance through the Office of Management and Budget Enterprise Roadmap.	October 2016	October 2016	Conducted annually.
Review EAMMF on a quarterly basis, incorporate regular updates to Segment Architecture Maturity, and integrate Enterprise Architecture processes with other management functions through the Centers of Excellence.	July 2016	July 2016	Conducted quarterly.
Review EAMMF on a quarterly basis, incorporate regular updates to Segment Architecture Maturity, and integrate Enterprise Architecture processes with other management functions through the Centers of Excellence.	April 2016	April 2016	Conducted quarterly.



**IT Management Outcome #2**

**Outcome Lead:** Carlene Iletto  
**Outcome Executive:** Luke McCormack

**GAO Outcome:** Information Technology Investment Management Framework Stage 3 – Establish and implement IT investment management practices that have been assessed as having satisfied the capabilities associated with Stage 3 of GAO’s Information Technology Investment Management Framework (ITIMF).

**Contributing Initiative:** Initiative 4 – IT Program Governance

**Integrated Priority Linkage:** 3.3 – Reliable Technology Infrastructure

CURRENT STATUS	
August 2016 Rating	Accomplishments
	<p><b>GAO rated this Outcome “Fully Addressed.”</b> ITIMF Stage 3 was achieved and GAO has validated this accomplishment. The Department continues to maintain IT investment management practices that satisfy the capabilities associated with Stage 3 of the ITIMF. Those capabilities include defined portfolio criteria, portfolio creation, and conducting post-implementation reviews.</p>

PLAN TO FULLY ADDRESS OUTCOME			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for Change/Notes
Continue implementing IT investment management practices associated with Stage 3 of GAO’s ITIMF.	Ongoing	Ongoing	<b>Sustain a “Fully Addressed” rating.</b> Implementation of these best practices is sustained by Unity of Effort structures, including the Acquisition Review Board, portfolio review activities, the Deputy’s Management Action Group, the Joint Requirements Integration and Management System, and Capital Planning Investment Control processes.
Demonstrate that DHS is at ITIMF Level 3.	August 2014	September 2014	The Department submitted the final ITIMF Assessment to GAO in September 2014. The Assessment demonstrates that DHS is at ITIMF Level 3.



**IT Management Outcome #3**

**Outcome Lead:** Carlene Iletto  
**Outcome Executive:** Luke McCormack

**GAO Outcome:** For major IT system acquisitions, establish and implement system acquisition management processes that have been assessed as satisfying those requirements associated with Level 2 of Carnegie Mellon Software Engineering Institute’s Capability Maturity Model Integration (CMMI).

**Contributing Initiative:** Initiative 4 – IT Program Governance

**Integrated Priority Linkage:** 3.3 – Reliable Technology Infrastructure

CURRENT STATUS	
August 2016 Rating	Accomplishments
	<p><b>GAO rated this Outcome “Fully Addressed.”</b> OCIO has demonstrated that system-acquisition management processes have been implemented to satisfy the requirements associated with CMMI Level 2 in May 2015.</p> <p>In support of measuring, increasing, and validating the growth and maturity of the DHS IT organization, the Department established an approach that assessed major IT programs against criteria associated with CMMI Level 2 and set a DHS baseline. Using the framework of the Capability Maturity Model Integration for Acquisition (CMMI-ACQ, Version 1.3) and the CMMI-Acquisition Module Self-Assessment Guide for Program Managers, DHS focused its approach on maximizing benefits to the organization. This CMMI-based methodology, vetted with CMMI subject-matter experts and DHS stakeholders, was used for the IT Maturity Baseline Assessments. Based on the DHS IT Maturity Baseline Assessment results, areas of improvement were identified and provided to Component leadership. The following actions support a “Fully Addressed” rating:</p> <ul style="list-style-type: none"> <li>• Conducted IT Program Maturity Baseline Assessment of Level 1 program’s sample population.</li> <li>• Integrated the Acquisition Review Board, Enterprise Architecture, and Systems Engineering Lifecycle stage reviews into a defined, efficient governance process that is tailored to the size and critical analysis of each program to improve project tracking and oversight.</li> <li>• Analyzed the data collected during the IT Maturity Baseline Assessment and reported the findings to the DHS IT community.</li> <li>• Administered a follow-up survey and submitted evidence of improved Outcomes.</li> </ul> <p>The IT Maturity Baseline Assessment identified opportunities for improvement and the Office of the Chief Information Officer (OCIO) worked with the Components to develop Plans of Actions and Milestones (POAMs) to address the opportunities for improvement. OCIO provided documentation related to the POAMs to GAO in May 2014. Additionally, OCIO executed the following actions:</p> <ul style="list-style-type: none"> <li>• Directed Components to create a POAM for identified assessment areas with opportunities for improvement within that Component.</li> <li>• Presented quarterly summary briefings of the collective baselines and status updates for the Component POAMs and their progress to the IT Services Governance Board.</li> </ul>



PLAN TO FULLY ADDRESS OUTCOME			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for change/notes
Continue implementation of system acquisition management processes that have been assessed as satisfying those requirements associated with Level 2 of CMMI (i.e., requirements management, planning, tracking, and oversight).	Ongoing	Ongoing	<p><b>Sustain a “Fully Addressed” rating.</b></p> <p>OCIO continues to maintain system-acquisition management processes that satisfy the requirements associated with CMMI Level 2. Evidence of sustainment includes:</p> <ul style="list-style-type: none"> <li>• Federal Information Technology Acquisition Reform Act implementation</li> <li>• Requirements Engineering Center of Excellence</li> <li>• IT Program Management Center of Excellence</li> <li>• Acquisition Review Boards</li> <li>• Enterprise Architecture (Planning)</li> <li>• Enhanced requirements management processes established by Unity of Effort (Oversight)</li> <li>• IT acquisition pilots across Components (Oversight)</li> <li>• Enhanced governance through Executive Steering Committees, Techstats (Oversight)</li> </ul>
Conduct an assessment that demonstrates DHS is at CMMI Level 2.	December 2014	March 2015	“Fully Addressed” rating confirmed with GAO in April 2015. The Department administered a follow-up survey and submitted evidence of improved outcomes.



**IT Management Outcome #4**

**Outcome Lead:** Shila Cooch  
**Outcome Executive:** Luke McCormack

**GAO Outcome:** Implement IT Human Capital Plan – In the first quarter of FY 2016, GAO and DHS agreed to update the Outcome language to: “Demonstrate progress in establishing and implementing strategic IT human capital planning goals necessary to support the Department’s IT Strategic Plan for FY 2015 – 2018.”

**Contributing Initiative:** Initiative 5 – IT Human Capital Management

**Integrated Priority Linkage:** 4.1 – Cybersecurity and Technology Workforce

CURRENT STATUS	
August 2016 Rating	Accomplishments
	<p><b>GAO rated this Outcome “Mostly Addressed.”</b> By the end of 2016, DHS will provide GAO evidence of the implementation of the IT human capital planning goals required to support the Department’s IT Strategic Plan for FY 2015 – 2018. DHS believes this progress will advance this Outcome’s rating to “Fully Addressed” and will request a review by GAO.</p> <p>DHS continues to implement the FY 2015 – 2018 DHS IT Strategic Plan in alignment with the FY 2015 – 2019 DHS Human Capital Strategic Plan (HCSP), which includes activities related to talent acquisition and branding, employee development and retention, and performance management. Based on GAO feedback, DHS is endeavoring to show continued progress in Component-level implementation of the HCSP to support the DHS IT Strategic Plan. A “Mostly Addressed” rating is supported by the following accomplishments:</p> <ul style="list-style-type: none"> <li>• Coordinated with the Component Office of the Chief Information Officer (OCIO) Human Resource representatives to outline each Component’s alignment to the HCSP elements in relation to the IT Strategic Plan. In order to do this, the Department has:             <ul style="list-style-type: none"> <li>○ Developed an Operational Plan that outlines specific tactical statements and metrics to assess how DHS aligns the IT Strategic Plan to the HCSP. This plan will be presented to GAO in August 2016. The Operational Plan will highlight actions that have been completed to date, as well as scheduled activities.</li> <li>○ Continued collaboration with the Office of the Chief Human Capital Officer (OCHCO) to integrate IT human capital strategic planning in the FY 2015 – 2019 DHS HCSP through the Workforce Planning Council and leverage the Department-wide recruitment efforts through the DHS Corporate Recruiting Council.</li> <li>○ Engaged in workforce planning and performance activities, including updating performance plan requirements, developing the IT workforce plan, and participating in OCHCO’s leadership and competency assessment.</li> <li>○ Established additional learning and development programs for employees and supervisors, including the enterprise-wide IT Project Management Track.</li> <li>○ Designed a program management center of excellence managed by the Office of Program Accountability and Risk Management.</li> </ul> </li> <li>• Continued to implement of the Department’s IT strategy and conducted workforce planning and recruitment to ensure the availability of a community of highly skilled IT professionals and the IT infrastructures needed to promote a secure America. DHS:             <ul style="list-style-type: none"> <li>○ Became the largest user and second federal agency to utilize the new Smarter IT Delivery Schedule “A” Hiring Authority to hire digital-services experts.</li> </ul> </li> </ul>



CURRENT STATUS	
August 2016 Rating	Accomplishments
<div style="border: 1px solid black; padding: 5px;"> <p>Fully Addressed</p> <p><b>Mostly Addressed</b></p> <p>Partially Addressed</p> <p>Initiated</p> <p>Not Initiated</p> </div> <div style="margin-top: 10px;"> <p>LEGEND</p> <p>» GAO Rating «</p> </div>	<ul style="list-style-type: none"> <li>○ Hired individuals with private-sector technology experience not traditionally found in the federal IT workforce. The employees are on limited-term appointments and work on high-priority IT programs across the Department.</li> <li>○ Collaborated with OCHCO on recruiting, hiring, and outreach of IT professionals. Conducted a workforce assessment and review of inherently governmental positions and overall vacancies and attrition rates. Utilized various hiring authorities and strategies to address the vacancy rates.</li> <li>○ Revitalized the Cyber Workforce Coordinating Council as a core oversight and advisory body to address recruitment and retention for cybersecurity positions.</li> <li>● Reorganized DHS OCIO in the third quarter of FY 2016 to support the new business model that is aligned to the Information Technology Infrastructure Library organizational workflow and to the goals of the DHS IT Strategic Plan. In order to do this, DHS has:             <ul style="list-style-type: none"> <li>○ Appointed a Chief Technology Officer (Senior Executive Service position) to expand the understanding and utilization of innovative IT technologies.</li> <li>○ Formed a digital-services team to work on high-priority IT programs across DHS.</li> <li>○ Created the Vendor Customer Relations Manager Division to provide support to the Component OCIOs.</li> <li>○ Established the Workforce Engagement Division under the Chief of Staff to manage, among other duties, the IT Human Capital Plan.</li> </ul> </li> <li>● Launched the OCIO IT Community Connect Site and trained IT managers and human resources professionals on human capital practices through awareness sessions, open houses, and all-hands meetings. In addition, DHS has:             <ul style="list-style-type: none"> <li>○ Launched the OCIO Rising Stars program as part of the OCIO Headquarters Awards Program.</li> <li>○ Instituted employee recognition “All Hands” events.</li> </ul> </li> <li>● Provided contract support for workforce planning and overall human capital management planning, including IT workforce gaps analysis, IT competency requirements, IT training, programs marketing, branding, and recruiting activities.</li> <li>● Conducted the 11th session of the DHS IT Immersion Program (May 2016) with participation from all DHS Components. This popular program continues to receive positive reviews in post-session surveys as a meaningful experience to new DHS IT hires, as well as to participating leadership and knowledge workers.</li> </ul>

PLAN TO FULLY ADDRESS OUTCOME			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for Change/Notes
Provide GAO evidence of progress in establishing and implementing strategic IT human capital planning goals necessary to support the Department’s IT Strategic Plan for FY 2015 – 2018.	December 2016		<b>Targeting a “Fully Addressed” rating.</b> DHS will provide GAO with a completed Operational Plan that maps the IT Strategic Plan Objectives to the Human Capital Strategic Plan Objectives, to include reference to the IT paradigm shift. The Operational Plan will include results and timelines.



PLAN TO FULLY ADDRESS OUTCOME			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for Change/Notes
Conducted 12th IT Immersion Program session for new hires. Will conduct an assessment of IT Immersion Program survey results for presentation to the Chief Information Officer (CIO) Council.	August 2016	August 2016	The IT Immersion Program continues to draw large participation and receives positive reviews as a meaningful experience to new DHS IT hires, DHS leadership, and knowledge workers who participate. Future dates for IT Immersion Program sessions will be quarterly and include representatives from the Components.
Met with GAO to present updated approach of alignment to DHS HCSP - highlighting performance objectives and success indicators for CIO Components.	August 2016	August 2016	Joint session with GAO, OCIO, OCHCO, and the Office of Management Integration to discuss next steps to achieving "Fully Addressed" rating.
Executed a contract to assist with workforce planning and strategic IT human capital management activities, including IT workforce gap analysis, IT competency requirements, IT training programs, marketing, branding, and recruiting.	Q3 FY 2016	July 2016	OCIO conducted the Technical Evaluation Team Analysis and Best Value Analysis, and reviewed the Price Analysis documents to form a recommendation to the Source Selection Authority. The contract was awarded in July and the kick-off is being coordinated with the Office of the Chief Procurement Officer.
Finalized OCIO realignment to support the Information Technology Infrastructure Library organizational workflow.	July 2016	July 2016	Coordinated with OCHCO on all associated activities to support the realignment. Communicated relevant information to OCIO staff. Developed a Workforce Engagement Division to focus on workforce planning efforts. Dedicated full-time equivalents and contract personnel to strengthen effort.
Conducted DHS Hiring Fair with coordination and participation of Management and Component OCIOs, OCHCOs, and the Offices of the Chief Security Officer.	July 2016	July 2016	Focus on IT recruitments to address IT vacancy rates across DHS. First ever DHS-wide IT hiring fair. Included participation by the offices of CIO, CHCO and the Chief Security Officer across the Department.
Created Operational Plan to align DHS IT Strategic Plan goals to HCSP goals to manage OCIO and Component OCIOs.	July 2016	July 2016	Socialize plan to OCHCO and CIO Council.



PLAN TO FULLY ADDRESS OUTCOME			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for Change/Notes
Collaborated with OCHCO to strengthen integration of human capital strategic planning and IT strategic planning.	May 2016	On-going	
Conducted 11th IT Immersion Program session for new hires. Will conduct an assessment of IT Immersion Program survey results for presentation to the CIO Council.	February 2016	May 2016	Future dates for IT Immersion Program sessions will be quarterly and include representatives from the Components.
Met with GAO to discuss Component input and target a "Fully Addressed" rating. Also, determine whether Outcome has been modified.	February 2016	March 2016	Met with GAO and presented Component input. Confirmed that GAO had modified the Outcome language. Per GAO, OCIO remains at "Mostly Addressed" until DHS can demonstrate that Components are aligned to the new IT business model. Per Federal Information Technology Acquisition Reform Act, Senior Executive Service performance plans should include how Component CIOs align to DHS CIO priorities for employee engagement.
Conducted an assessment of IT Immersion Program survey results.	August 2015	August 2015	Assessment of survey results completed; sessions determined beneficial for new and seasoned employees. As a result, future sessions will be available to all personnel.
Met with GAO to discuss Component input and advancing to a "Fully Addressed" rating.	July 2015	August 2015	Per GAO, this Outcome will remain rated "Mostly Addressed."
Conducted an IT Immersion Program session for new hires.	July 2015	July 2015	The 10 <sup>th</sup> IT Immersion Program session was held on July 22, 2015 and included representatives from headquarters and various Components.
Compiled Component responses in preparation for meeting with GAO.	July 2015	August 2015	Component responses were submitted to GAO in August 2015.
Included Component responses regarding their human resources and on-boarding activities through CIO Council and IT Infrastructure Services Governance Board.	June 2015	June 2015	Per GAO's request, OCIO collected Component-specific information on current Human Resources and onboarding activities.



PLAN TO FULLY ADDRESS OUTCOME			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for Change/Notes
Met with GAO to discuss steps to achieve a "Fully Addressed" rating.	May 2015	May 2015	GAO stated that DHS must focus on identifying current hiring initiatives, human resource activities and on-boarding processes for OCIO throughout the Components.
Conducted an assessment of Immersion Program survey results for presentation to the CIO Council.	May 2015	May 2015	Survey assessment completed; participants strongly approved of general session design, content, and delivery methodology, with overall outstanding comments.
Conducted the 9 <sup>th</sup> IT Immersion Program session for new hires.	April 2015	April 2015	The 9 <sup>th</sup> IT Immersion Program session was held on April 1, 2015 and included representatives from headquarters and various Components.
Leverage updating overall DHS HCSP by participating in the Human Capital Leadership Council.	Ongoing	Ongoing	Participating in OCHCO "Planning a Balanced Workforce" Council. Also participating in development of the DHS HCSP.



**IT Management Outcome #5**

**Outcome Lead:** Carlene Iletto  
**Outcome Executive:** Luke McCormack

**GAO Outcome:** Adhere to Program Baselines – Demonstrate improvement in cost, schedule, and performance for troubled IT investments.

**Contributing Initiatives:**

- Initiative 4 – IT Program Governance
- Initiative 11 – Business Intelligence

**Integrated Priority Linkage:** 2.3 – Effective Policy and Proactive Oversight

CURRENT STATUS	
August 2016 Rating	Accomplishments
	<p><b>GAO rated this Outcome “Partially Addressed.”</b> By December 2016, DHS will close a key audit recommendation, which is expected to increase this Outcome’s rating. Once the recommendation is closed, DHS will request a review by GAO.</p> <p>GAO uses the IT Dashboard as a primary source of information and continues to cross-reference relevant GAO audits (which may include selected investments) to evaluate the status of this Outcome. GAO audits of the following eight programs are included in the cross reference:</p> <ol style="list-style-type: none"> <li>1. Analysis and Operations (A&amp;O) Homeland Security Information Network</li> <li>2. U.S. Customs and Border Protection (CBP) Automated Commercial Environment</li> <li>3. National Protection and Program Directorate Federal Protective Service Tactical Communications Modernization</li> <li>4. Department Management Operations Human Resources Information Technology (HRIT)</li> <li>5. Federal Emergency Management Agency (FEMA) Logistics Supply Chain Management System</li> <li>6. U.S. Immigration and Customs Enforcement (ICE) Student and Exchange Visitor Information System</li> <li>7. ICE TECS (Modernization)</li> <li>8. U.S. Citizenship and Immigration Services (USCIS) (Transformation)</li> </ol> <p>In partnership with the Office of Program Accountability and Risk Management, the Office of the Chief Information Officer monitors IT programs for adherence to cost, schedule, and performance baselines. Over the past few years, and as recently as May 2016, DHS provided substantial evidence to GAO, demonstrating the Department’s improvement in adhering to these baselines:</p> <ul style="list-style-type: none"> <li>• Demonstrated performance improvement in six of the eight investments (according to feedback received in the May 2016 quarterly high-risk meetings with GAO). The remaining investments (HRIT and ICE TECS Modernization) continue to be monitored closely.</li> <li>• Re-established the HRIT Executive Steering Committee. A complete Lifecycle Cost Estimate for HRIT is being developed in collaboration with the Office of the Chief Financial Officer, Cost Analysis Division.</li> <li>• Initiated an agency-led Techstat review of ICE TECS Modernization. The Office of Program Accountability and Risk Management, in collaboration with the OCIO, is supporting the program with cost and schedule re-baselining as well as support toward Initial Operating Capability deployment.</li> <li>• Established an Integrated Project Team (IPT) with representatives from across DHS to improve policy, governance, and acquisition guidance. Additional steps included</li> </ul>



CURRENT STATUS	
August 2016 Rating	Accomplishments
	<p>codifying and publicizing process improvements identified by program IPTs, and eliminating redundancies and conflicting guidance to shorten the acquisition process timeline.</p> <ul style="list-style-type: none"> <li>• Demonstrated significant progress in the implementation of the Federal Information Technology Acquisition Reform Act across the Department by completing 121 of 131 action items.</li> <li>• Provided Requirements Engineering Center of Excellence support to the Joint Requirements Council's Joint Requirement Integration and Management System tool pilot.</li> <li>• Stood up the IT Program Center of Excellence and Agile Center of Excellence to expand and mature the Agile community.</li> <li>• Continued to monitor Executive Steering Committees for effectiveness.</li> <li>• Helped programs comply with acquisition documentation (e.g. Lifecycle Cost Estimates, Operational Requirements Document).</li> <li>• Executed Capital Planning Investment Control.</li> </ul>

PLAN TO FULLY ADDRESS OUTCOME			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for Change/Notes
Receive feedback from GAO on progress.	September 2017		<b>Targeting a "Fully Addressed" rating.</b>
Provide GAO requested documentation on monitoring of IT programs.	September 2016		Quarterly meetings with GAO.
Provided documentation for GAO review describing how IT investments are diligently and consistently monitored for adherence to cost, schedule, and performance baselines.	May 2016	May 2016	OCIO provided the following documentation to GAO: <ul style="list-style-type: none"> <li>• Recent program health assessments for each of the eight programs.</li> <li>• Recent program health assessments for HRIT's and USCIS's transformations, with a summary document that identifies the specific scores assigned for each assessment criteria.</li> </ul>



PLAN TO FULLY ADDRESS OUTCOME			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for Change/Notes
Meet with GAO to discuss closure of OCIO's only recommendation in <i>DHS's Efforts to Modernize Key Enforcement Systems Could be Strengthened</i> . <sup>23</sup>	December 2015	December 2016	<b>Targeting a "Mostly Addressed" rating.</b> OCIO met with GAO on December 8, 2015 to discuss closure recommendation. GAO followed up in May 2016 and agreed that DHS is on track to obtain a "Mostly Addressed" rating by December 2016.
Provide GAO-requested documentation on monitoring of IT programs.	April 2014	May 2014; May 2015	OCIO provided the following documentation to GAO: <ul style="list-style-type: none"> <li>• Health assessment reviews since January 2014 for the programs under review (see above list).</li> <li>• Techstats since January 2014 for the programs under review (see above list).</li> <li>• Documentation of meetings or other evidence that demonstrates the centers of excellence have met with risky programs and provided remediation assistance.</li> </ul>
GAO will review post-implementation documentation.	March – April 2014	July 2014	GAO reviewed documentation from eight investments: <ul style="list-style-type: none"> <li>• ICE Student Exchange and Visitor Information System</li> <li>• CBP Automated Commercial Environment</li> <li>• USCIS Transformation</li> <li>• HRIT</li> <li>• FEMA Logistics Supply Chain Management</li> <li>• A&amp;O Homeland Security Information Network</li> <li>• ICE TECS Modernization</li> </ul>

<sup>23</sup> U.S. Government Accountability Office, *Border Security: DHS's Efforts to Modernize Key Enforcement Systems Could be Strengthened*, Report to Congressional Requesters, GAO-14-62 (Washington, D.C., December 2013).



**IT Management Outcome #6**

**Outcome Lead:** Jeff Eisensmith  
**Outcome Executive:** Luke McCormack

**GAO Outcome:** Enhance IT Security – Establish enhanced security of the Department’s internal IT systems and networks as evidenced by:

- a) Demonstrating measurable progress in achieving effective information system controls by downgrading the Department’s material weakness in financial systems security to a significant deficiency for two consecutive years. In addition to reducing the deficiencies that contribute to the significant deficiency, as reported by the independent auditors of the Department’s financial statements.
- b) Implementing the federal desktop core configuration on applicable devices and instances across Components, as determined by an independent assessment.
- c) Promptly developing remedial action plans and demonstrating sustained progress in mitigating known vulnerabilities, based on risk, as determined by an independent assessment.
- d) Implementing key security controls and activities, as independently assessed by the Office of the Inspector General (OIG) or external auditor based on Federal Information Security Management Act of 2002 (FISMA) reporting requirements.

**Contributing Initiative:** Initiative 6 – Information Security

**Integrated Priority Linkage:** 3.1 – “Gold Standard” for Department-wide Cybersecurity

CURRENT STATUS	
August 2016 Rating	Accomplishments
	<p><b>GAO rated this Outcome “Mostly Addressed.”</b> DHS has continued to enhance the IT security of the Department’s internal systems and networks. The only remaining action preventing a “Fully Addressed” rating is achieving and maintaining a downgrade of the Department’s material weakness in financial systems security to a significant deficiency for two consecutive years. The following DHS accomplishments support a “Mostly Addressed” rating:</p> <ul style="list-style-type: none"> <li>• Expanded the independent validation and verification program to include reporting results at monthly senior management meetings for awareness and issue resolution.</li> <li>• Monitored FISMA scorecard to ensure compliance in mitigating specific vulnerabilities identified in Information Security Vulnerability Management notices.</li> <li>• Conducted quarterly Deputy Under Secretary for Management meetings with Component executive leadership beginning in FY 2015 to address cybersecurity areas that are not achieving DHS-established targets. The Component heads, the DHS Chief Information Officer, the Chief Information Security Officer (CISO), and the Deputy Under Secretary for Management regularly review existing issues and their related remediation activities. This has greatly improved the Department’s posture on the monthly FISMA scorecard.</li> <li>• Implemented an Information Security Continuous Monitoring (ISCM) implementation plan for Secret and Top Secret systems. The Components are currently scored and metrics are calculated for National Security Systems (NSS) against ISCM guidance established by the Office of the Chief Information Security Officer (OCISO). OCISO reports the metrics on an NSS-specific Scorecard, giving greater visibility on the security posture of the NSS environment.</li> <li>• Developed the FY 2016 DHS Information Security Performance Plan, which defined the performance requirements, priorities, and overall FISMA goals for the Department.</li> </ul>



CURRENT STATUS	
August 2016 Rating	Accomplishments
	<ul style="list-style-type: none"> <li>Conducted in-depth technical reviews for 22% of the Department’s IT systems to assess quality assurance and validate compliance with DHS security requirements.</li> <li>Developed the Cyber Maturity Model to identify the areas that require strengthening in order to improve cybersecurity across the Department. The model enabled DHS to successfully justify its FY 2016 budget request for an additional \$100 million for Department-wide cybersecurity improvements.</li> <li>Conducted Security Awareness Training for DHS employees during on-boarding. Annual IT Security Refresher training is required and provided for federal employees and contractors. In January 2016, the Under Secretary for Management signed a policy directive mandating that all Components improve their security training to account for the increased risk for social engineering and phishing. As of August 2016, DHS had re-trained approximately 97% of all staff and is tracking the final 3% to completion.</li> <li>Completed role-based IT security training for System Administrators and Information System Security Officers. Ninety-three (93%) of privileged users are up-to-date on training (i.e. 5,667 of all 6,110 privileged users).</li> <li>Continued to meet, at least monthly, with Component CFOs and Chief Information Officers to identify risks, share best practices, and assess remediation status; leaders from other management areas (e.g. procurement; real property) are included, based on the requirements, to drive solutions for remediation.</li> <li>Identified Component corrective-action plans for significant deficiencies in IT controls during the annual financial statement audit. The corrective-action plans were then approved by Component heads. The remediation progress is being monitored by independent personnel from the DHS OCISO and the Office of the Chief Financial Officer until completion and will be validated for operating effectiveness after implementation.</li> <li>Implemented vulnerability management, which is evaluated monthly using information provided in each Component’s automated feed.</li> <li>Remediated approximately 40% of the IT control weaknesses from the prior fiscal year, according to independent auditors of the Department’s financial statements.</li> <li>Updated the <i>DHS Sensitive Systems Policy Directive 4300A</i><sup>24</sup> to reflect the changes made in applicable National Institute of Standards and Technology guidance.</li> <li>Implemented the United States Government configuration-baseline-compliant desktop images in Component agencies where compliance is monitored through monthly scans.</li> <li>Matured and expanded OCISO’s Ongoing Authorization program, increasing participation to seven Components and nearly 95 DHS systems. Ongoing Authorization replaces the traditional security authorization cycle with ongoing security assessments, leveraging continuous evaluation of security controls as well as timely response to risk-posture changes. The program provides security officials an ongoing state of awareness, resulting in better-informed, risk-based decisions on the utilization of Component and system informational asset resources.</li> <li>Implemented the Homeland Security Presidential Directive-12 Smartcard usage for logical access to DHS unclassified networks. As a result, DHS has over 95% unprivileged and over 99% privileged DHS federal staff and contractor Smartcard users across the nation. DHS exceeded OMB’s FY 2015 goal for general users by 20%.</li> </ul>

<sup>24</sup> U.S. Department of Homeland Security, Office of the Chief Information Officer, *DHS Sensitive Systems Policy Directive 4300A*, Version 12.01 (Washington, D.C., February 12, 2016).



CURRENT STATUS	
August 2016 Rating	Accomplishments
<div style="border: 1px solid #ccc; padding: 5px; margin-bottom: 10px;"> <p style="text-align: center;">Fully Addressed</p> <p style="text-align: center;">➤ Mostly Addressed ◀</p> <p style="text-align: center;">Partially Addressed</p> <p style="text-align: center;">Initiated</p> <p style="text-align: center;">Not Initiated</p> </div> <div style="border: 1px solid #ccc; padding: 5px;"> <p style="text-align: center;">LEGEND</p> <p style="text-align: center;">➤ GAO Rating ◀</p> </div>	<ul style="list-style-type: none"> <li>Conducted a Winter Study to evaluate the upgrades needed to refresh and sustain IT infrastructure supporting Mission Essential Systems (MES). The study’s objective was to develop a repeatable management and planning approach to protect and secure the Department’s MES. The Winter Study team developed a MES scorecard to assess IT infrastructure needs. Recommendations were delivered to the Deputy’s Management Action Group and included using this approach for future assessments and implementing the MES scorecard findings in the Component’s FY 2018 – 2022 Program Decision Option requests.</li> <li>Transitioned the DHS Enterprise Security Operations Center (ESOC) to the DHS CISO in May 2014. Using the \$23M in FY 2015 funds allotted to upgrade the SOC’s hardware and software, the DHS ESOC enhanced its monitoring and analyses of computer network defense data, recognition of trends across the DHS enterprise, and organization of incident response. As a result, the DHS CISO has gained a more comprehensive threat picture which helps with key decision-making. Additionally, the DHS ESOC supports the DHS Components by facilitating information-sharing and process-improvement efforts.</li> <li>Released <i>IT Security ISCM: An Enterprise View Version 2.1</i> to align the Department’s ISCM strategy with the evolving cybersecurity landscape.</li> <li>Focused on common controls to increase security efficiency, utilizing the existing FISMA compliance tool. DHS is providing nearly 6,700 controls from 96 common control providers, including eight Federal Risk and Authorization Management Program common control providers. Components also have the ability to create their own common control programs. The common controls programs reduce cost and workload by allowing systems to utilize security solutions that have already been documented and successfully implemented by control providers (i.e., “Do once, use many times”).</li> <li>Continued implementing the Continuous Diagnostics and Mitigation program, a set of information-security continuous monitoring capabilities and tools that identify cybersecurity risks on an ongoing basis, prioritize these risks based upon potential impacts, and enable cybersecurity personnel to mitigate the most significant problems first. The program will be implemented in four phases.</li> <li>Issued Policy Directive 034-03<sup>25</sup> requiring components to implement technology to protect against phishing attacks. Implemented the new cyber-security tool Invincea, which enhances security and reduces risk by detecting and blocking known and unknown malware on the enterprise. The tool also contains the impact of any phishing attack. Invincea is being rolled out in two stages to the majority of DHS components. It is currently in initial operating capability mode and will be in full operating capability mode by the end of FY 2016.</li> </ul>

<sup>25</sup> Russell C. Deyo, Under Secretary for Management, Department of Homeland Security, “Continuous Improvement of Department of Homeland Security Cyber Defenses,” Policy Directive 034-03 (Washington, D.C., January 13, 2016).



PLAN TO FULLY ADDRESS OUTCOME			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for Change/Notes
Achieve "significant deficiency" status or less.	Q4 FY 2015	Q4 FY 2018	<b>Targeting a "Fully Addressed" rating.</b> A status of "significant deficiency" or less must be maintained for two consecutive years for the Outcome to be fully addressed.
Continue to oversee and assist Components in addressing IT deficiencies.	September 2015	Ongoing	Meet with Components monthly to review progress and provide guidance as needed.
Oversee and assist Components in addressing deficiencies that contributed to the Department's material weakness in the IT security control and financial system functionality area to achieve a reduction to a significant deficiency by the independent auditors.	October 2015	October 2017	<b>Sustaining a "Mostly Addressed" rating.</b> Existing significant IT security control deficiencies must be remediated with no new significant deficiencies identified during financial statement audits.
Complete actions to address six open recommendations contained in the OIG's FY 2015 FISMA report (OIG-16-08).	Q4 FY 2016	Q2 FY 2017	Four of the six recommendations have been addressed and closed. Corrective actions for the remaining two are underway.
Complete actions to address six open recommendations contained in the OIG's FY 2014 FISMA report (OIG-15-16).	Q4 FY 2015	Q2 FY 2017	Four of the six recommendations have been addressed and closed. Corrective actions for the remaining two are underway.
Complete actions to address five open recommendations contained in the OIG's FY 2013 FISMA report (OIG-14-09).	August 2014	Q2 FY 2017	Two of the five recommendations have been addressed and closed. Corrective actions for the remaining three recommendations are underway.



**Acquisition Program Management Outcome #1**

**Outcome Lead:** Steve Hartley  
**Outcome Executive:** Debra Cox

**GAO Outcome:** Review of Acquisition Documentation – Validate required acquisition documents in a timely manner at major milestones, including lifecycle cost estimates, in accordance with a Department-approved, knowledge-based acquisition process. Lifecycle costs include all resources and associated cost elements required to develop, produce, deploy, and sustain a particular program from initial concept through operations, support, and disposal. The development, review, and approval of acquisition documents minimizes the risk of poorly defined requirements and plans negatively affecting program performance.

**Contributing Initiatives:**

- Initiative 4 – IT Program Governance
- Initiative 8 – Acquisition Management Oversight
- Initiative 11 – Business Intelligence

**Integrated Priority Linkage:** 2.3 – Effective Policy and Proactive Oversight

CURRENT STATUS	
August 2016 Rating	Accomplishments
	<p><b>GAO rated this Outcome “Mostly Addressed.” DHS has since made substantial strides toward achieving a rating of “Fully Addressed.”</b> DHS has approved all outstanding required acquisition documentation and continues to ensure that programs receiving Acquisition Decision Event (ADE) approval have all the required acquisition documentation. The Department continues to incorporate GAO’s feedback to effectively review and validate acquisition documentation and will conduct the following actions on an ongoing basis to sustain this rating:</p> <ul style="list-style-type: none"> <li>• Continue processes to ensure 100% of the Level 1 and Level 2 programs on the Master Acquisition Oversight List (MAOL) have approved acquisition program baselines (if they are post-ADE-2A). DHS reached the 100% milestone in December 2015.</li> <li>• Develop a pre-Acquisition Review Board checklist to confirm programs have all required documentation for the ADEs.</li> <li>• Update the MAOL (formerly called the Major Acquisition Oversight List) to better delineate programs that fall within different oversight categories. Each category of program has specific acquisition governance and acquisition documentation requirements in accordance with Management Directive 102-01. The current MAOL (signed on July 15, 2016) supersedes the prior MAOL (signed on April 16, 2016). The MAOL is updated on a quarterly basis.</li> </ul>



PLAN TO FULLY ADDRESS OUTCOME			
Actions	Projected Date	Actual/ Adjusted Date(s)	Reason for Change/Notes
Continue to ensure that 100% of the Level 1 and Level 2 programs on the MAOL have approved Acquisition Program Baselines (if they are post-ADE-2A).	Ongoing	Ongoing	<b>Sustaining a “Fully Addressed” rating.</b> Review pre-Acquisition Review Board checklist to confirm programs have all required documentation for the ADE.
Complete validation of outstanding documentation.	June 2015	December 2015	<b>Targeting a “Fully Addressed” rating.</b> All outstanding documentation has been approved.
Review program manager training, where acquisition documents are discussed, and improve content as needed (e.g., include scorecard information, lessons learned, and exercises).	June 2015	June 2015	<b>Targeting a “Mostly Addressed” rating.</b> This review determined the specific program manager certification classes that include course content for acquisition documents. The identified courses were reviewed to determine required content improvements. Content revisions were submitted to the Office of the Chief Procurement Officer for prioritization and implementation in July 2015. Further, the Office of Program Accountability and Risk Management reviewed program manager Level 3 certification classes and submitted content improvements to the Office of the Chief Procurement Officer in July 2015.
Update Management Directive 102-01 definitions of documents to ensure that acquisition program managers understand the requirements for purpose and content of documents.	March 2015	December 2015	Management Directive 102-01-001 Instruction was signed in December 2015.



**Acquisition Program Management Outcome #2**

**Outcome Lead:** Dave Cotner  
**Outcome Executive:** Debra Cox

**GAO Outcome:** Component Acquisition Capabilities – Establish sufficient Component-level acquisition capability for Component Acquisition Executives (CAEs), policies, and procedures that is consistent with a knowledge-based acquisition process. Staff levels should be commensurate with the size of the Components’ acquisition portfolios. All Components should have an effective process to manage major investments consistent with Departmental policies and a mechanism to ensure investments comply with established Component and Departmental investment review policy standards.

**Contributing Initiatives:**

- Initiative 7 – Acquisition Workforce Development
- Initiative 8 – Acquisition Management Oversight
- Initiative 11 – Business Intelligence

**Integrated Priority Linkage:** 2.3 – Effective Policy and Proactive Oversight

CURRENT STATUS	
August 2016 Rating	Accomplishments
<div style="border: 1px solid #ccc; padding: 5px;"> <p style="text-align: center; margin: 0;">LEGEND</p> <p style="text-align: center; margin: 0;">➤ GAO Rating ◀</p> </div>	<p><b>GAO rated this Outcome “Fully Addressed.”</b> The Department continues to ensure that Components have sufficient acquisition capability and is sustaining progress, as evidenced by the accomplishments below:</p> <ul style="list-style-type: none"> <li>• All Components with major acquisition programs have CAEs or acting CAEs in place. Further, the Chief Acquisition Officer (who also serves as the Under Secretary for Management [USM]) has established a more rigorous review of the CAE nomination and approval process. CAEs were re-designated using this review process and as CAE positions become available, this process will be applied.</li> <li>• CAE roles and responsibilities were standardized, updated, and included in the Management Directive (MD) 102-01 revision. The Office of Program Accountability and Risk Management (PARM) also conducted training sessions with Components to discuss policy revisions and hosted in-depth three-hour sessions that earned participants continuous learning points.</li> <li>• Component policies and procedures were evaluated and found to be consistent with MD 102-01. Components without approved acquisition policies are required to follow MD 102-01. If a Component is lacking an acquisition policy, it must follow the Acquisition Management Instruction 102-01-001, with the CAE serving as the Acquisition Decision Authority. While MD 102-01 revisions are being made, PARM will monitor Component policies and processes to ensure consistency.</li> <li>• The Quarterly CAE Council meetings are chaired by the DUSM and focus on CAE performance, acquisition workforce, program oversight, program support, and improvements in program execution. The CAE Staff Forum monthly meetings are conducted to continually improve integration and coordination between Components. The meetings support the establishment of acquisition priorities and best practices.</li> </ul>



PLAN TO FULLY ADDRESS OUTCOME			
Actions	Projected Date	Actual/ Adjusted Date(s)	Reason for Change/Notes
Maintain use of the process for CAE designations, including detailed guidelines for the selection, nomination and approval of the CAE designee.	Ongoing	Ongoing	<p><b>Sustaining a “Fully Addressed” rating.</b></p> <p>On September 2, 2014, the USM signed the memorandum “Unity of Effort Acquisition Review – Component Acquisition Executive Policy” directing Components to complete a full two-phase review of the acquisition oversight framework as part of the Secretary’s Unity of Effort initiative.</p> <p>In April 2015, PARM nomination packages and provided recommendations to the (acting) USM. Based on these recommendations, the USM signed designations for Components. This process will continue as CAE positions become open,</p>
Conduct an assessment to determine whether Component policies and processes for managing acquisition portfolios are consistent with MD 102.	Ongoing	Ongoing	<p>PARM developed a process to monitor Level 3 acquisitions, which helps PARM understand the depth and breadth of the Component acquisition portfolio.</p> <p>As MD 102-01 revisions are made, PARM will monitor Component policies and processes to ensure consistency.</p>
Conduct an assessment to determine whether Component staff, including the CAEs, have acquisition capability (i.e., knowledge and experience) commensurate with the size of the Component’s acquisition portfolio.	June 2014 - December 2015	April 2015	<p>The <i>Major Acquisition Program Staffing</i> memorandum signed by the (acting) USM on June 13, 2014 addressed the adequacy of the CAE staff in addition to the program managers.</p> <p>The PARM Executive Director signed the CAE Support Staff Review and Analysis Report on February 2, 2015.</p> <p>Staffing plans and workforce planning data have been submitted and analyzed. PARM delivered reports to leadership summarizing deficiencies and gaps identified at the DHS enterprise level, by Component, and across Component Acquisition Executive support personnel.</p>
Work with CAEs to help them conduct thorough reviews of acquisition documentation prior to their signature.	May 2014 – December 2015	December 2015	This action ties to Acquisition Program Management Outcome #1. Component Acquisition Executives are rated on documentation scorecards.
Conduct quarterly CAE Council meetings to establish priorities and provide guidance.	Ongoing	Ongoing	The Chief Acquisition Officer chairs the CAE Council meetings.
Conduct regular CAE staff forums to establish priorities, provide guidance, and share best practices.	Ongoing	Ongoing	Meetings are held no less than eight times per year.



**Acquisition Program Management Outcome #3**

**Outcome Lead:** David Patrick, Program Accountability and Risk Management

**Outcome Executives:**

- Debra Cox, Executive Director, Program Accountability and Risk Management
- Chip Fulghum, Deputy Under Secretary for Management and Chief Financial Officer, Management
- Luke McCormack, Chief Information Officer, Management
- Reginald Brothers, Under Secretary, Science and Technology
- Mark Dolan, Chairman, Joint Requirements Council

**GAO Outcome:** Joint Requirements Council – Establish and effectively operate the required Joint Requirements Council (JRC), or equivalent governing body, to review and validate Component-driven capability requirements that drive non-material and acquisition programs Department-wide and identify and eliminate any unintended redundancies. The JRC, or equivalent governing body, would help DHS inform its annual budget process for funding major programs and reduce the occurrence of major programs receiving funding without validation of requirements.

**Contributing Initiatives:**

- Initiative 10 – Unity of Effort/Integrated Investment Management
- Initiative 11 – Business Intelligence

**Integrated Priority Linkage:** 2.3 – Effective Policy and Proactive Oversight

CURRENT STATUS	
August 2016 Rating	Accomplishments
<p>LEGEND                      &gt; GAO Rating &lt;</p>	<p><b>GAO rated this Outcome “Partially Addressed.” DHS has since made substantial strides toward achieving a rating of “Mostly Addressed.”</b> DHS believes a “Mostly Addressed” rating more accurately reflects the significant progress made since establishing the JRC. The JRC is executing the Joint Requirement Integration and Management System (JRIMS) process, which is scheduled to be automated by September 2016 with the implementation of a Knowledge Management/Decision Support (KM/DS) tool.</p> <p>The JRC was established by the DHS Secretary and is documented in Directive 071-02. The JRC Chair is appointed on a rotating basis from an operational Component. The Council is comprised of senior executives or flag officers from the operational Components, the National Protection and Programs Directorate, the Office of Intelligence and Analysis, the Science and Technology Directorate, the Management Directorate, and the Office of Policy. The JRC is supported by a staff comprised of permanent and detailed employees, Federally Funded Research and Development Centers personnel, and contractors. The JRC is also supported by seven functional portfolio teams which are aligned to the Department’s enterprise architecture. Additional support is provided by subject matter experts from across DHS.</p> <p>Under the leadership of the JRC and JRC Staff, the JRIMS was developed collaboratively by DHS Components to manage and execute a Component-driven requirements process. The JRIMS methodology enhances operational effectiveness and efficiency by ensuring capability investments (both non-material and material) are traceable to the Department’s strategic objectives and goals. Measures are taken to consider feasibility to develop and cost analysis. The JRIMS methodology also leverages commonalities across components in capability investment. JRIMS enhances DHS executive decision-making by ensuring that capability gaps, needs, and requirements are appropriately validated.</p>



CURRENT STATUS	
August 2016 Rating	Accomplishments
	<p>The JRIMS process will be automated with the implementation of KM/DS, an online tool that will simplify JRIMS business processes by automating document processing, coordination, validation, tasking, and archiving. In addition, the JRC and JRC personnel are codified in DHS Directive 071-02,<sup>26</sup> and JRIMS in Directive 107-01. The accompanying JRIMS Instruction Manual 107-01-001-01 was released on March 21, 2016.<sup>27</sup> The JRIMS process is fully aligned with, and complementary to, Management Directive (MD) 102-01, “Acquisition Management,”<sup>28</sup> and MD 102-01-001, “Acquisition Management Instruction.” The JRC and JRIMS are operating effectively.</p> <p>Since January 2016, the JRC has demonstrated enormous progress in numerous areas such as:</p> <ul style="list-style-type: none"> <li>• Successfully linked/integrated with other enterprise processes such as Winter Studies; Planning, Programming, Budgeting, and Execution; Acquisitions; the Federal Information Technology Acquisition Reform Act; Agile IT Development; Force Management; and DHS Research and Development.</li> <li>• Assumed a leadership role in vetting, analyzing, and validating DHS enterprise capability requirements. To date, the JRC has reviewed, analyzed, and validated 36 requirements documents from the operational Components.</li> <li>• Provided guidance and direction as part of over 15 Acquisition Review Boards and resulting Acquisition Decision Memoranda, ensuring that capability documents, capability analysis reports, non-material change reports, mission needs statements, concepts of operations, and operational requirements documents are validated prior to acquisition decision events.</li> <li>• Informed the FY 2015 DHS Research and Development, FY 2016 Force Management, and FY 2018 – 2022 Planning, Programming, Budgeting, and Execution processes with regard to validated capability gaps, needs, and operational requirements.</li> <li>• Assessed over 300 Program Decision Options in support of the FY18 – 22 Program and Budget Review. The assessment focused on programs with potential cross-Component/Deputy’s Management Action Group interest and provided operational context and requirements considerations. This analysis will assist a mission-based view of DHS programs.</li> <li>• Created and implemented a comprehensive set of JRIMS training modules, including overview and core concepts for Component staffs.</li> <li>• To date, over 200 DHS employees have successfully completed the JRIMS training courses. Additional classes are scheduled for August and September 2016.</li> <li>• Organized portfolio teams to align to the DHS Enterprise Architecture construct, including Cybersecurity, Domain and Situational Awareness, Enterprise Management Support, Immigration Management, Incident Management, Screening, and Security, and Law Enforcement. These teams encourage a DHS enterprise perspective in the analysis and oversight of operational requirement generation and validation.</li> <li>• Provided Components embedded subject matter contract expertise to help create a requirements-centric culture within the organization, tailored to each Component’s needs and expectations.</li> </ul>

<sup>26</sup> U.S. Department of Homeland Security, *The Joint Requirements Council, Directive 071-02* (Washington, D.C., February 1, 2016).  
<sup>27</sup> U.S. Department of Homeland Security, *Department of Homeland Security Manual for the Operation of the Joint Requirements Integration and Management System*, DHS Instruction Manual 107-01-001-01 (Washington, D.C., March 21, 2016).  
<sup>28</sup> U.S. Department of Homeland Security, *Acquisition Management Directive, Directive 102-01* (Washington, D.C., July 28, 2015).



PLAN TO FULLY ADDRESS OUTCOME			
Actions	Projected Date	Actual/ Adjusted Date(s)	Reason for Change/Notes
Sustain effective operation of the JRC.	September 2017		Targeting a “Fully Addressed” rating. This rating is supported by DHS sustaining (1) effective operation of the JRC and (2) an effective Component-led/Component driven requirements process.
Achieve full operating capability.	June 2016	September 2016	<b>Targeting a “Mostly Addressed” rating.</b> A “Mostly Addressed” rating is supported by (1) ongoing integration with the Unity of Effort processes; and (2) implementation of a KM/DS tool.
Conduct training – JRIMS Initial Overview, Process, JRIMS, and training sustainment.	January 2015 – May 2016	Q1 FY 2017	The JRC Overview and JRIMS process training are fully operational. Once the JRIMS tool is fully developed, recurring training on KM/DS will begin in Q1 FY 2017. At this point, all elements of the JRIMS will be fully implemented.
Incorporate decisions from the JRC process to inform the FY 2018 Resource Allocation Decision.	September 2016		
Conduct an initial Joint Assessment of Requirements to inform resource planning and allocation guidance.	January 2016 – August 2016		The JRC, the Chief Financial Officer, and the Office of Program Accountability and Risk Management are tasked with giving input to support prioritizing capability development programs (per the JRIMS Manual).
Fully implement the joint information requirements information management requirements KM/DS Tool.	May 2016	September 2016	Delay due to bolstering security of KM/DS and development in DHS cloud environment. Additional time has allowed for both criteria to be met.
Identify additional programs for initial Implementation.	January 2016	Ongoing	
Approve JRIMS directives and instruction manual.	January 2016	March and April 2016	The JRC/JRIMS directive was signed on March 9, 2016 and the manual on April 21, 2016. Review processes necessitated the additional time for approval and signature.
Validate mission needs statements and Operational Requirements documents for all Level 1 and 2 Master Acquisition Oversight List programs and submit endorsement (for or against) to the Deputy's Management Action Group.	Q2 FY 2015	Ongoing	The JRC has started validating capability documents as of Q2 FY 2015 and is analyzing all Level 1 and 2 Master Acquisition Oversight List programs for current capability documents.



PLAN TO FULLY ADDRESS OUTCOME			
Actions	Projected Date	Actual/ Adjusted Date(s)	Reason for Change/Notes
Incorporate decisions from the JRC process to inform the FY 2017 Resource Allocation Decision.	September 2015	September 2015	Targeting a "Partially Addressed" Rating.
Achieved initial operating capability.	July – August 2015	August 2015	
Approve JRC charter.	November 2014	November 2014	The DHS Deputy Secretary signed the charter on November 16, 2014.



**Acquisition Program Management Outcome #4**

**Outcome Lead:** Dave Cotner  
**Outcome Executive:** Debra Cox

**GAO Outcome:** Trained Acquisition Personnel – Ensure sufficient numbers of trained acquisition personnel are in place at the Department and Component levels. Lack of adequate staff, both in terms of skills and staffing levels, increases the risk of insufficient program planning and contractor oversight, and has been associated with negative cost and schedule outcomes in major acquisition programs. These findings emphasize the importance of sufficient and experienced staff for successful acquisition outcomes.

**Contributing Initiatives:**

- Initiative 7 – Acquisition Workforce Development
- Initiative 8 – Acquisition Management Oversight
- Initiative 9 – Program Management Corps

**Integrated Priority Linkage:** 2.3 – Effective Policy and Proactive Oversight

CURRENT STATUS	
August 2016 Rating	Accomplishments
	<p><b>GAO rated this Outcome “Mostly Addressed.” DHS has since made substantial strides toward achieving a rating of “Fully Addressed.”</b> DHS has taken actions to ensure that sufficient numbers of trained acquisition personnel are in place throughout the Department. The “Fully Addressed” rating is supported by the following DHS actions:</p> <ul style="list-style-type: none"> <li>• Completed the review and analysis of FY 2015 staffing plans for major acquisition programs. The Office of Program Accountability and Risk Management (PARM) developed analysis reports summarizing the identified staffing gaps and deficiencies. PARM analyzed the appropriateness of mitigation strategies to address the gaps and the changes in staffing gaps from those identified in FY 2014 staffing plans.</li> <li>• Developed and implemented Policy Directive 102-05, “Major Acquisition Program Staffing Management,” to monitor and track changes in critical staffing gaps of major acquisition programs and obtain quarterly status reports to ensure critical staffing gaps are being addressed. Staffing is discussed at every Acquisition Review Board and if needed, an independent staffing assessment is required as an acquisition decision memorandum action item.</li> <li>• Improved program manager certification compliance for Level 1 major programs to 100%. Since January 2013, when compliance monitoring began, program manager certification compliance across all Level 1 and Level 2 programs increased from 69% to 88%.</li> <li>• Provided training sessions to all interested program managers, Component acquisition executives and staff on the revisions to Management Directive 102-01 to ensure those with certifications are current on the Department’s requirements.</li> <li>• Completed a formal staff assessment on a major program (U.S. Citizenship and Immigration Services, Verification Modernization) to identify staffing deficiencies that pose a risk to program execution. Recommendations for optimal staffing will be reported to the appropriate leadership.</li> <li>• Participated by providing speakers for each of APM course, including APM 102, AQN 201B, and APM 250, held from January through August. PARM continues to receive highly positive feedback from students.</li> </ul>



CURRENT STATUS	
August 2016 Rating	Accomplishments
	<ul style="list-style-type: none"> <li>Planned and coordinated the FY 2015 Program Management Awards. The fourth annual Program Management Awards ceremony was held in June 2016. The program manager awards recognize outstanding performance in acquisition activities across the Department.</li> <li>Developed a draft Acquisition Program Management Staffing Instruction to provide requirements for identifying sufficient numbers of trained and qualified acquisition program management staff who have the proper skills and experience in the appropriate acquisition disciplines.</li> <li>Developed a draft Acquisition Program Management Guidebook to implement the Acquisition Program Management Staffing Instruction and include specific details regarding processes, best practices, and tools used in determining the proper staffing for acquisition programs.</li> <li>Continued participation in each DHS Acquisition Program Management (APM) 350B Capstone program management certification course by facilitating a section on the Department's acquisition processes and oversight responsibilities. Further, PARM supports the course by having representatives available at key points throughout the course to ensure students have access to the acquisition experts.</li> </ul>

PLAN TO FULLY ADDRESS OUTCOME			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for change/notes
Implement policy directive to monitor and track changes in critical staffing gaps in DHS major acquisition programs and report status quarterly to ensure critical staffing gaps are being addressed.	Ongoing	Ongoing	<b>Sustaining a "Fully Addressed" rating.</b>
Analyze staffing gaps and mitigation strategies identified in the FY 2015 staffing plans and assess effectiveness of mitigation strategies and progress in filling staffing gaps.	August 2016		<b>Targeting a "Fully Addressed" rating.</b>
Review Component staffing plans and assess completeness and accuracy.	January 2016 – February 2016	May 2016	In October 2015, PARM requested FY 2015 staffing plans with a January 2016 deadline. PARM received the final staffing plans in May 2016 and completed a review of all plans.
Analyze staffing gaps and mitigation strategies identified in the staffing plans, which address insufficient numbers of trained acquisition personnel.	April 2015	July 2015	Staffing plans and workforce planning data were submitted and analyzed for all Components, except one. PARM delivered the reports to leadership summarizing the identified deficiencies and gaps.



PLAN TO FULLY ADDRESS OUTCOME			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for change/notes
Review Component staffing plans and assess completeness and accuracy.	May 2014 – February 2015	February 2015	<p><b>Targeting a “Mostly Addressed” rating.</b></p> <p>PARM reviewed all plans. Some staffing plan waivers were approved, due to specific program characteristics.</p>



**Acquisition Program Management Outcome #5**

**Outcome Lead:** Steve Hartley  
**Outcome Executive:** Debra Cox

**GAO Outcome:** Acquisition Process Compliance – Establish and demonstrate measurable progress in achieving goals that improve program compliance with the Department’s established processes and policies. This includes specific metrics for tracking conformance with the Department’s established methodologies as well as metrics for cost, schedule, and performance measured against DHS-approved baselines. For major acquisitions, demonstrate that actual cost and schedule performance for major acquisitions is within established threshold baselines, and that baselined system capabilities/requirements and associated mission benefits have been achieved. Program cost, schedule, and performance, as well as changes in these factors over time, can provide useful indicators of the health of acquisition programs. When assessed regularly for changes and the reasons for the changes, such indicators can be valuable tools for improving insight and oversight of individual programs and total portfolios of major acquisitions.

**Contributing Initiatives:**

- Initiative 4 – IT Program Governance
- Initiative 8 – Acquisition Management Oversight
- Initiative 11 – Business Intelligence

**Integrated Priority Linkage:** 2.3 – Effective Policy and Proactive Oversight

CURRENT STATUS	
August 2016 Rating	Accomplishments
	<p><b>GAO rated this Outcome “Initiated.” DHS has since made substantial strides toward achieving a rating of “Mostly Addressed.”</b> The Department has taken crucial steps to improve the oversight of major acquisition programs and continues to make progress to further strengthen this area. The following DHS actions support a “Mostly Addressed” rating:</p> <ul style="list-style-type: none"> <li>• Continued monthly high-visibility program meetings to ensure that senior leadership, including the Under Secretary for Management and Management Chief Executives, have a common understanding of acquisition programs’ status and key issues.</li> <li>• Conducted an assessment of acquisition documentation to determine which documents were outstanding. All pending documentation was completed in December 2015. With this complete, the Office of Program Accountability and Risk Management (PARM) has been focusing on sustaining progress as well as current documentation and other activities to strengthen the acquisition oversight processes.</li> <li>• Held 26 action-oriented Acquisition Review Boards in FY 2015, which yielded significant results, including:             <ul style="list-style-type: none"> <li>○ Reassessment of the U.S. Customs and Border Patrol (CBP)-specific Strategic Air and Marine Plan within the context of the Joint Requirement Council’s (JRC) work on DHS aviation commonality and other Unity of Effort initiatives.</li> <li>○ Pause of new development for the Federal Emergency Management Agency’s logistics supply chain management system while the operational capabilities were assessed and acquisition program documentation updated.</li> </ul> </li> <li>• Held 23 action-oriented Acquisition Review Boards in FY 2016 (through June 2016), which yielded significant results, including:             <ul style="list-style-type: none"> <li>○ Documentation of implications of baseline changes resulting from the FY 2016 appropriations of funding for a ninth National Security Cutter. The U.S. Coast</li> </ul> </li> </ul>



CURRENT STATUS	
August 2016 Rating	Accomplishments
<div style="border: 1px solid #ccc; padding: 5px;"> <p style="text-align: center; background-color: #d9d9d9; margin: 0;">Fully Addressed</p> <p style="text-align: center; background-color: #0070c0; color: white; margin: 0;"><b>Mostly Addressed</b></p> <p style="text-align: center; background-color: #d9d9d9; margin: 0;">Partially Addressed</p> <p style="text-align: center; background-color: #d9d9d9; margin: 0;">Initiated</p> <p style="text-align: center; background-color: #d9d9d9; margin: 0;">Not Initiated</p> </div> <div style="margin-top: 10px; text-align: center;"> <p style="font-size: small;">LEGEND</p> <p style="font-size: x-small;">» GAO Rating «</p> </div>	<p>Guard re-baselined the program. The program requires reviews and updates as necessary to the Acquisition Plan, Operational Requirements Document, Life Cycle Cost Estimate, Acquisition Program Baseline, Integrated Logistics Support Plan, Test and Evaluation Master Plan, and Systems Engineering Life Cycle Tailoring Plan to document the implications of this baseline change.</p> <ul style="list-style-type: none"> <li>○ The Joint Requirements Council (JRC) endorsed a Capabilities Analysis Study Plan in April 2016 and a Capabilities Analysis Report (CAR) in August 2016 for the Remote Video Surveillance System Program (RVSS). The Science and Technology Directorate (S&amp;T) will support the CAR with a technical assessment of current and projected RVSS technology, to include ongoing DHS border security-related research and development.</li> <li>● Updated Management Directive (MD) 102-01 by including touch points to the JRC. The Directive was signed by the Under Secretary for Management in July 2015.</li> <li>● Finalized Instruction 102-01-003 (for MD 102-01), which was signed on November 5, 2015. This Instruction establishes a common Systems Engineering Life Cycle framework for DHS and supports efficient and effective delivery of investment capabilities. The Systems Engineering Life Cycle framework supports the Acquisition Life Cycle Framework established in Directive 102-01.</li> <li>● Developed the Acquisition Program Health Assessment (APHA), with an accompanying APHA report which is developed and submitted quarterly to the DHS Chief Acquisition Officer (CAO). Its purpose is to:             <ol style="list-style-type: none"> <li>1) Provide the CAO with an internal assessment of the entire Master Acquisition Oversight List enterprise set of acquisition programs.</li> <li>2) Provide the verification and validation score for the individual programs included in the annual Comprehensive Acquisition Status Report and its quarterly updates.</li> <li>3) Provide the DHS Chief Information Officer's score for each major program reported in the Office of Management and Budget IT Dashboard. This report helps DHS leadership stay informed about major acquisition programs.</li> </ol> </li> <li>● Drafted APHA Instruction 102-05-001 which establishes policy objectives and procedures required to stand up an accurate and timely acquisition program health assessment mechanism for the Department's major acquisition programs. This instruction implements policy set forth in MD 102-01, which establishes that DHS Components are to provide accurate, timely acquisition program data to the CAO.</li> <li>● In FY 2016, PARM increased staff specifically in the Component leads and in the Acquisition Support Division to provide additional focus on activities such as acquisition decision actions and staffing assessments.</li> <li>● Created a SharePoint site to automate and track acquisition decision action items and maintain program artifacts.</li> <li>● Participate in Washington Homeland Security Roundtable's Innovation Working Group, an in-depth DHS industry engagement program that brings together representatives from multiple DHS Components to work side by side with industry.</li> </ul>



PLAN TO FULLY ADDRESS OUTCOME			
Actions	Projected Date	Actual/ Adjusted Date(s)	Reason for change/notes
Determine and implement metric to monitor and track program health.	August 2017		<b>Targeting a “Fully Addressed” rating.</b>
Continue ensuring that major programs are in compliance with MD 102-01 including providing affordability memoranda for Acquisition Decision Events.	August 2016	Ongoing	<b>Targeting a “Mostly Addressed” rating.</b> This action includes monitoring and tracking programs using the APHA report.
Demonstrate that all major programs are in compliance with policy documentation requirements.	December 2015	December 2015	All outstanding program documentation was completed as of December 2015. This is an ongoing action to ensure programs approved for an Acquisition Decision Event have program documents.
Begin tracking program office health metrics.	August 2015	August 2015	This action will include metrics that demonstrate compliance related to staffing.
Begin tracking Department-level metrics	August 2015	August 2015	This action includes metrics that demonstrate Component Acquisition Executives’ compliance with the Department’s processes and policies.
Establish program health metrics	June 2015	June 2015	PARM also developed staffing metrics.
Establish Department-level metrics to demonstrate compliance with processes and policies.	June 2015	June 2015	
Begin tracking program metrics (i.e., cost, schedule and performance).	May 2015	May 2015	This action will include metrics related to the Acquisition Program Baseline.
Review and update MD 102-01-001 Acquisition Management Instruction to ensure language is updated to include the JRC.	April 2015	April 2015	PARM incorporated elements from Unity of Effort, such as the JRC. This instruction was updated to include touch points to the JRC.
Review and update MD 102-01 to ensure language is updated to include the JRC.	March 2015	March 2015	This action is to incorporate new entities and processes being developed under Unity of Effort, such as the JRC.
Establish cost, schedule, and performance metrics.	October 2014	February 2015	Established process to produce a quarterly Acquisition Metrics report.



**Management Integration Outcome #1**

**Outcome Lead:** Ann-Marie Watt  
**Outcome Executive:** Michelle Benecke

**GAO Outcome:** Management Integration Implementation – Implement the actions and outcomes specified within each management area (acquisition, information technology, financial, and human capital management) to develop consistent or consolidated processes and systems within and across its management functional areas.

**Contributing Initiatives:** All Initiatives

**Integrated Priority Linkages:** All Integrated Priorities

CURRENT STATUS	
August 2016 Rating	Accomplishments
	<p><b>GAO rated this Outcome “Partially Addressed.” DHS has since made substantial strides toward a rating of “Mostly Addressed.”</b> The following accomplishments support this rating:</p> <ul style="list-style-type: none"> <li>This report is the 11<sup>th</sup> update to the original <i>Integrated Strategy for High Risk Management</i>, developed to address GAO’s high-risk designation.</li> <li>As of August 2016, DHS assesses that 73% (22 of 30) of GAO Outcomes are either mostly or fully addressed. Further, DHS projects that it will have completed the required actions to mostly or fully address up to 87% (26 of 30) of GAO’s Outcomes by December 2016.</li> <li>Management Chief Executive Officers report progress to the Under Secretary and Deputy Under Secretary for Management on GAO Outcomes and other priorities (e.g., Integrated Priorities) at monthly leadership meetings. This improves accountability and allows leaders to identify critical links between programs, determine capacity needs, better allocate resources, and share best practices.</li> <li>Continued support for the Secretary’s Unity of Effort initiative with leadership participation in the Senior Leaders Council, Deputy’s Management Action Group, and the Joint Requirements Council, as well as the institutionalization of other Unity of Effort initiatives (e.g., strengthened PPBE and acquisition oversight processes). See Appendix C.</li> </ul>

PLAN TO FULLY ADDRESS OUTCOME			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for change/notes
Engage GAO on the status of this Outcome.	December 2017		Targeting a “Fully Addressed” rating.
Fully or mostly Address at least 70% of Outcomes (21 of 30).	August 2016		Targeting a “Mostly Addressed” rating.
Continue to track the high-risk Outcomes and publish the biannual <i>Integrated Strategy for High Risk Management</i> .	January and August 2016	January and August 2016	DHS published the January and August 2016 updates to the <i>Integrated Strategy for High Risk Management</i> .



**Management Integration Outcome #2**

**Outcome Lead:** Ann-Marie Watt  
**Outcome Executive:** Michelle Benecke

**GAO Outcome:** Management Integration Strategy – Revise the strategy for management integration to address the characteristics for such a strategy we recommended in 2005. A management integration strategy would provide specific operational and tactical goals, activities, and timelines needed for accomplishing the integration effort. The characteristics we recommended in 2005 include:

- Look across the initiatives within each of the management functional units to identify the roles and responsibilities of the Departmental and Component level management units in developing and implementing those Department-wide projects or initiatives.
- Clearly identify the critical links that must occur among these initiatives to determine the processes, systems, personnel, and other resources that each management functional unit at the Department and/or Component level should contribute to successfully implement the initiatives.
- Identify tradeoffs and set priorities to identify any sequencing needed to implement the initiatives, and to help management and Component management functional units plan for and provide needed resources for the initiatives.
- Set implementation goals and a timeline to monitor the progress of these initiatives to ensure the necessary links occur when needed.
- Identify potential efficiencies, and ensure that they are achieved.

**Contributing Initiatives:** All Initiatives

**Integrated Priority Linkages:** All Integrated Priorities

CURRENT STATUS	
August 2016 Rating	Accomplishments
<p>LEGEND                  &gt; GAO Rating &lt;</p>	<p><b>GAO rated this Outcome “Fully Addressed.”</b> This accomplishment reflects the successful implementation and refinement of the <i>Integrated Strategy for High Risk Management</i>. Sustainment activities related to this Outcome are as follows:</p> <ul style="list-style-type: none"> <li>• This report is the 11<sup>th</sup> update to the <i>Integrated Strategy for High Risk Management</i>, developed to address GAO’s high-risk designation.</li> <li>• As of August 2016, DHS assesses that 22 of the 30 GAO Outcomes are either mostly or fully addressed. Further, DHS projects that it will have completed the required actions to mostly or fully address as many as 26 of 30 GAO’s Outcomes by December 2016.</li> <li>• The Under Secretary and Deputy Under Secretary for Management meet regularly with the Management Chief Executive Officers to track progress on GAO Outcomes, Integrated Priorities, and Unity of Effort.</li> <li>• Continued support for the Secretary’s Unity of Effort initiative with leadership participation in the Senior Leaders Council, Deputy’s Management Action Group, and the Joint Requirements Council, as well as the institutionalization of other Unity of Effort initiatives (e.g., strengthened PPBE and acquisition oversight processes—See Appendix C).</li> </ul>



PLAN TO FULLY ADDRESS OUTCOME			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for change/notes
Receive feedback from GAO on the August 2016 <i>Integrated Strategy for High Risk Management</i> .	October 2016		GAO typically provides feedback within two to three months of receiving an updated <i>Integrated Strategy for High Risk Management</i> .
Issue August 2016 <i>Integrated Strategy for High Risk Management</i> .	August 2016	August 2016	<b>Sustaining a “Fully Addressed” rating.</b>
Issue the January 2016 update to the <i>Integrated Strategy for High Risk Management</i> .	January 2016	January 2016	The <i>Integrated Strategy for High Risk Management</i> is a biannual report.



**Management Integration Outcome #3**

**Outcome Lead:** Ann-Marie Watt  
**Outcome Executive:** Michelle Benecke

**GAO Outcome:** Establish performance measures to assess progress made in achieving DHS-wide management integration. These measures should be based upon the goals and timelines and should allow assessment of progress in achieving both horizontal and vertical integration.

**Contributing Initiatives:** All Initiatives

**Integrated Priority Linkages:** All Integrated Priorities

CURRENT STATUS	
August 2016 Rating	Accomplishments
	<p><b>GAO rated this Outcome “Fully Addressed.”</b> DHS established and continues to track performance measures for each of the initiatives in the <i>Integrated Strategy for High Risk Management</i>. See Chapter 2 for complete descriptions of these measures.</p>

PLAN TO FULLY ADDRESS OUTCOME			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for change/notes
Report Outcome and Management Integrated Priority progress during monthly leadership meetings.	Ongoing		<b>Sustaining a rating of “Fully Addressed.”</b> The Under Secretary for Management regularly monitors progress on Outcomes with the Management Chief Executive Officers.
Provide GAO updates to the <i>Integrated Strategy for High Risk Management</i> .	January and August 2016	January and August 2016	The January and August 2016 <i>Integrated Strategy</i> updates were completed.



**Management Integration Outcome #4**

**Outcome Lead:** Ann-Marie Watt  
**Outcome Executive:** Michelle Benecke

**GAO Outcome:** Accountability for Management Integration – Implement mechanisms to promote accountability for management integration among Department and Component management chiefs by having:

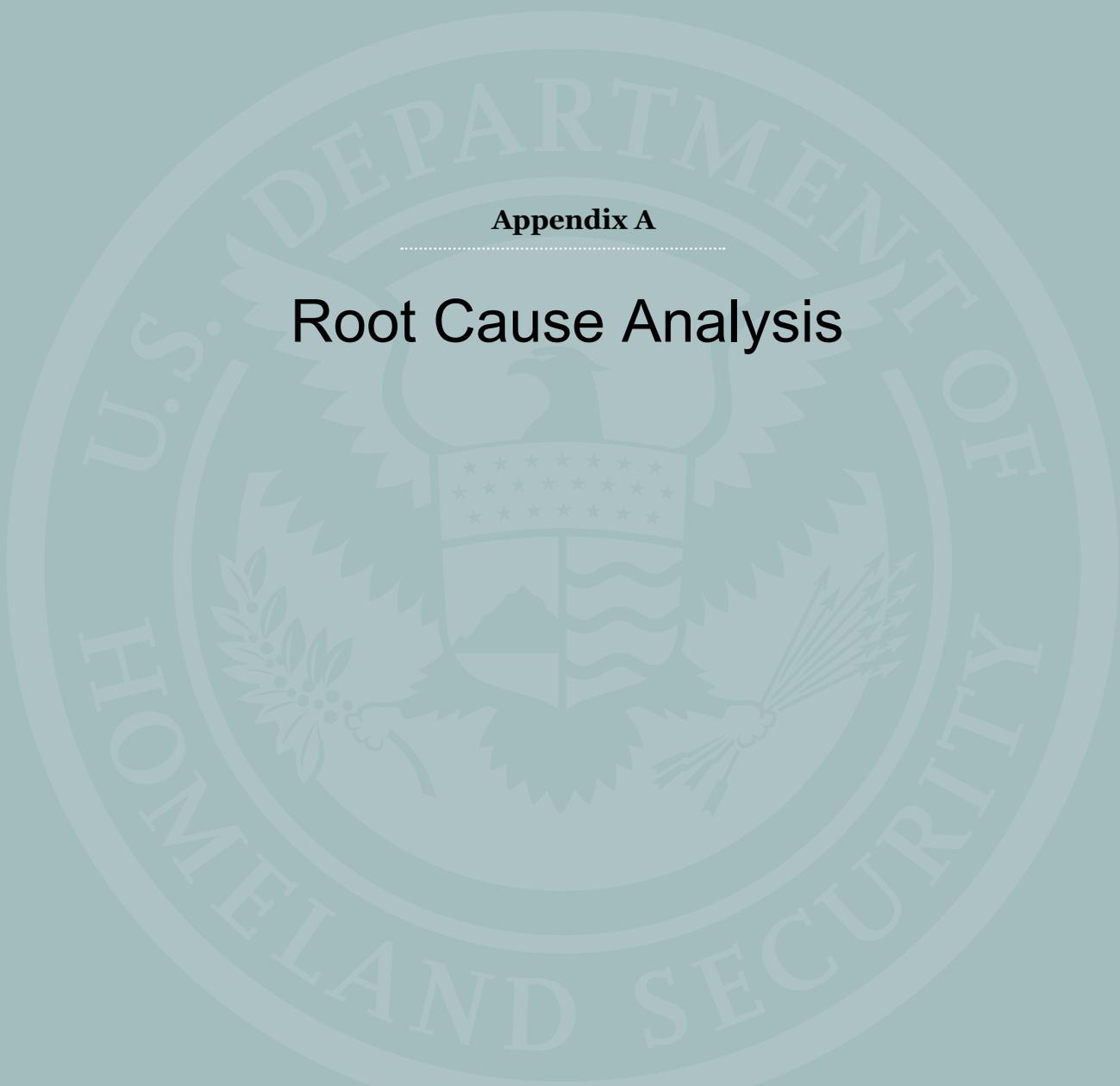
- Department management chiefs provide written objectives for Component management chiefs’ performance plans at the beginning of each performance cycle, and having the objectives explicitly reflect priorities and milestones for the management functions during that period;
- Department management chiefs provide direct and formal input into Component management chiefs’ annual performance evaluations; and
- Component management chiefs’ individual performance plans include explicit linkages to the goals and objectives for the DHS Management Directorate and relevant Department management functions.

**Contributing Initiatives:** All Initiatives

**Integrated Priority Linkages:** All Integrated Priorities

CURRENT STATUS	
August 2016 Rating	Accomplishments
	<p><b>GAO rated this Outcome “Fully Addressed.”</b> To sustain progress in this area, DHS has engaged in the following activities:</p> <ul style="list-style-type: none"> <li>• Departmental Management Chief Executive Officers (CXOs) provide annual input into Component management chiefs’ performance plans and appraisals. This duty was codified in the delegations of authority issued by the Under Secretary of Management to the CXOs in May 2012.</li> <li>• The CXOs hold regular management council meetings to drive integration, coordination, and sharing of best practices across the enterprise.</li> <li>• Objective, evidence-based metrics based on the strategic goals and priorities of the leadership drive the performance of CXOs, both at the Department and Component levels.</li> </ul>

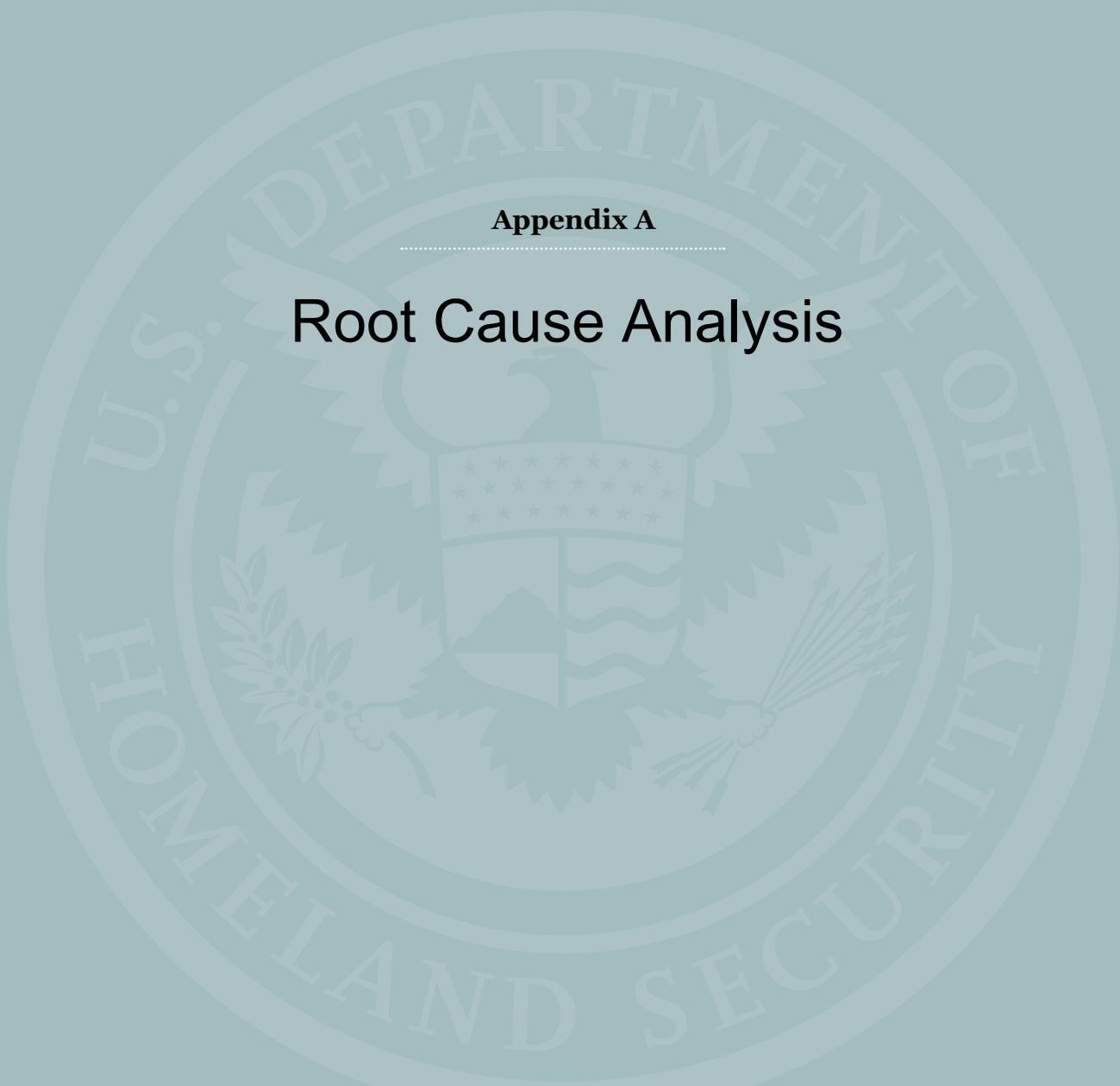
PLAN TO FULLY ADDRESS OUTCOME			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for change/notes
Each CXO continues to provide input into Component management chiefs’ performance plans and annual performance evaluations.	November 2016		Sustaining a “Fully Addressed” rating.
Each CXO continues to provide input into Component management chiefs’ performance plans and annual performance evaluations.	November 2015		



**Appendix A**

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# Root Cause Analysis



**Appendix A**

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# Root Cause Analysis



In June 2011, the Department of Homeland Security identified root causes of its management challenges.<sup>29</sup> Subsequently, DHS undertook efforts to improve its original assessment, leading to a report in December 2011 describing how the Department’s key management initiatives address these root causes.<sup>30</sup> In 2012, GAO recognized the Department’s progress, stating that DHS has “better positioned itself to determine corrective actions for addressing the underlying problems that have affected its management implementation efforts,”<sup>31</sup> Since that time, DHS has made significant progress in addressing the root causes and GAO Outcomes.

*Table 4: Root Causes Identified by DHS*

ROOT CAUSE	ROOT CAUSE
1	Strategies, requirements, capabilities, and resource allocations are not fully integrated across the Department.
2	Policies, procedures, and internal controls are not vertically aligned from management lines of business to Components.
3	Priorities, goals, and measures do not adequately drive strategies and budget decisions.
4	The Department’s management integration strategy requires testing and implementation.
5	The Department lacks adequate mechanisms to promote accountability for critical investments and goals.
6	The Department lacks reliable business intelligence to inform acquisition and financial management decisions.
7	Department-wide technology, infrastructure, and operating procedures remain insufficiently compatible, cohesive, and redundant across Components.
8	The Department-wide Planning, Programming, Budgeting, and Execution (PPBE) process remains immature for cross-Component initiatives.
9	The Department lacks sufficient program management capability for major (level 1) and high-priority programs.
10	Recruiting, hiring, training, and joint operations are not sufficiently coordinated and consistent.
11	DHS lacks effective decision making due to lack of rigorous analysis and alignment among and between Components and headquarters.
12	The budget process to consolidate Components’ resource requests is suboptimal.

<sup>29</sup> U.S. Department of Homeland Security, *Integrated Strategy for High Risk Management*, Report to the Government Accountability Office – Biannual Update to the Government Accountability Office June 2011. (Washington, D.C., June 2011).

<sup>30</sup> U.S. Department of Homeland Security, *Integrated Strategy for High Risk Management: Implementation and Transformation*, Report to the Government Accountability Office (Washington, D.C., Dec 2011).

<sup>31</sup> U.S. Government Accountability Office, *The Department of Homeland Security: Continued Progress Made Improving and Integrating Management Areas, but More Work Remains*, GAO-12-365T (Washington, D.C.: March 1, 2012), 4.



Table 5: Crosswalk of DHS Key Management Initiatives to GAO Outcomes and Root Causes

KEY MANAGEMENT INITIATIVE	GAO OUTCOMES ADDRESSED	ROOT CAUSES
<b>I. FINANCIAL MANAGEMENT (FM)</b>		
1. Financial Systems Modernization	Management Integration: 1,2,3,4 Financial Management: 5,6,7,8	2,7
2. Financial Management and Controls	Management Integration: 1,2,3,4 Financial Management: 1,2,3,4	2
<b>II. HUMAN CAPITAL MANAGEMENT (HCM)</b>		
3. Implementing the Human Capital Strategic Plan	Management Integration: 1,2,3,4 Human Capital Management: 1,2,3,4,5,6,7	1,2,3,6,7,10
<b>III. INFORMATION TECHNOLOGY MANAGEMENT (ITM)</b>		
4. IT Program Governance	Management Integration: 1,2,3,4 IT Management: 1,2,3,5 Acquisition Program Management: 1,5	1,2,7,9
5. IT Human Capital Management	Management Integration: 1,2,3,4 IT Management: 4 Human Capital Management: 2,3,7	10
6. Information Security	Management Integration: 1,2,3,4 IT Management: 6	2,7
<b>IV. PROCUREMENT MANAGEMENT (PM)</b>		
7. Acquisition Workforce Development	Management Integration: 1,2,3,4 Acquisition Program Management: 2,4 Human Capital Management: 2,7	9
<b>V. ACQUISITION PROGRAM MANAGEMENT (APM)</b>		
8. Acquisition Management Oversight	Management Integration: 1,2,3,4 Acquisition Program Management: 1,2,4,5	9
9. Program Management Corps	Management Integration: 1,2,3,4 Acquisition Program Management: 4	9
<b>VI. TRANSFORMATIONAL INITIATIVES</b>		
10. Unity of Effort	Management Integration: 1,2,3,4 Acquisition Program Management: 3	1,3,4,5,8,10,11,12
11. Business Intelligence	Management Integration: 1,2,3,4 IT Management: 5 Acquisition Program Management: 1,3,5	1,2,3,4,6,11



### Root Causes Addressed by Key Management Initiatives

The following tables describe how the 11 initiatives address the 12 root causes identified by the Department.

#### Initiative #1: Financial Systems Modernization

ROOT CAUSE	HOW INITIATIVE ADDRESSES ROOT CAUSE
Policies, procedures, and internal controls are not vertically aligned from management lines of business to Components. (RC #2)	<p>Under the DHS decentralized approach to financial management system modernization, the Office of the Chief Financial Officer (OCFO) is executing the following actions to address vertical alignment of policies, procedures, and internal controls from the financial management line of business to the Components, as well as to work toward integration of financial systems:</p> <ul style="list-style-type: none"> <li>• Establishing and promulgating financial management system policy and standards for DHS.</li> <li>• Establishing governance and oversight mechanisms to monitor and guide Components' adherence to the policy and standards. Each Component remains responsible for complying with policy, following procedures, and meeting Federal Financial Management Improvement Act financial security requirements and internal controls</li> </ul>
Department-wide technology, infrastructure, and operating procedures remain insufficiently compatible, cohesive, and redundant across Components. (RC #7)	<p>DHS has undertaken the Financial Systems Modernization (FSM) effort to modernize and standardize its financial and business systems. The FSM effort is intended to allow DHS to better manage its resources, provide enterprise-level information more quickly to support critical decision making, reduce costs by eliminating redundant or non-conforming systems, and promote good practices through standardization of processes and data where possible. This will be accomplished by:</p> <ul style="list-style-type: none"> <li>• Developing DHS-wide policies and standards for system modernization projects, and supporting the Office of the Chief Information Officer (OCIO) standards for systems across the Department.</li> <li>• Leveraging shared services, where possible, in accordance with the Office of Management and Budget (OMB) guidance.</li> <li>• Supporting the FSM Executive Steering Committee, which serves as a central governance body for all Components, to oversee the strategic direction of modernization efforts.</li> </ul>

#### Initiative #2: Financial Management and Controls

ROOT CAUSE	HOW INITIATIVE ADDRESSES ROOT CAUSE
Policies, procedures, and internal controls are not vertically aligned from management lines of businesses to Components. (RC #2)	<p>DHS has developed corrective actions, processes, and oversight to address weaknesses identified by auditors and in the Department's risk assessment; these actions are reported in Component Mission Action Plans. Since FY 2012, Component heads have been required to provide a commitment statement on all Mission Action Plans. Beginning in FY 2016, the Department's approach aligns to the updated GAO Green Book, which provides guidelines on the five components of internal control: control environment, risk assessment, control activities, information and communication, and monitoring.</p> <p>The DHS Chief Financial Officer (CFO) meets monthly with Component CFOs to review the progress in the plans and the upcoming completion dates for actions under way, as well as discuss any potential issues or risks.</p>



Initiative #3: Implement the Human Capital Strategic Plan

ROOT CAUSE	HOW INITIATIVE ADDRESSES ROOT CAUSE
<p>Strategies, requirements, capabilities and resource allocation are not fully integrated across the Department. (RC #1)</p>	<p>The cross-Departmental Human Capital Leadership Council established the FY 2015 – FY 2019 strategy based on an extensive environmental scan of internal and external factors impacting the DHS workforce. Strategy development also included input from the Department’s Office of Policy (PLCY), OCFO, and other lines of business (Acquisition and IT Workforce). The Human Capital Strategic Plan (HCSP) and the supplemental Annual Operational Plan align with and support Departmental priorities, the five missions identified in the Quadrennial Homeland Security Review, the critical success factors outlined in the Office of Personnel Management Human Capital Assessment and Accountability Framework, and the Department’s results from the Federal Employee Viewpoint Survey.</p>
<p>Policies, procedures and internal controls are not vertically aligned from management lines of business to Components. (RC #2)</p>	<p>The Human Capital Leadership Council meets monthly and provides a mechanism for the DHS Chief Human Capital Officer (CHCO) to ensure vertical alignment. Tools include the policy agenda, through which the Office of the Chief Human Capital Officer (OCHCO) is issuing common human capital policies across DHS; training and reporting requirements; and Delegated Examining Unit and Human Resources Operational Audit audits conducted with Components by the OCHCO accountability team. Integration across the Department is sustained by continuous review of the HCSP with community-wide and Component input, monitoring of the Human Capital Dashboard, and monthly evaluation and status reporting to the Department’s senior human capital leadership at HRstat Review meetings.</p>
<p>Priorities, goals and measures do not adequately drive strategies and budget decisions. (RC #3)</p>	<p>The HCSP and Departmental workforce planning initiatives are directly related to the DHS mission. The Departmental workforce planning focuses primarily on occupations that drive mission achievement in order to provide data for informed strategy development and budget decisions. The Department has further improved visibility in this area by linking every position DHS-wide, whether mission-critical or support, to the Quadrennial Homeland Security Review mission areas it performs or supports.</p>
<p>The Department lacks business intelligence to inform acquisition and financial management decisions. (RC #6)</p>	<p>Through the HRstat program, the human capital community is standardizing performance measure definitions and engaging in data-driven human capital performance reviews across the Department. Additionally, the human capital community continues to participate in the Department’s Management Cube (MGMT Cube) project, which is connecting data across management lines of business to drive informed decision making. The human capital community has been instrumental in providing the necessary expertise and data for the MGMT Cube.</p>
<p>Department-wide technology, infrastructure and operating procedures remain insufficiently compatible, cohesive, and redundant across Components. (RC #7)</p>	<p>DHS has realigned Human Resources Information Technology (HRIT) to ensure it better supports human capital business requirements, leverages the strengths of associated lines of business, and continues to promote program improvement. The HRIT Executive Steering Committee is co-chaired by the DHS Chief Information Officer (CIO) and CHCO. Strategic Improvement Opportunities were aligned with Office of Personnel Management’s Business Reference model, reduced, and reprioritized. Strategic Improvement Opportunities leads include Component and headquarters subject matter experts and implementation teams represent a true partnership among the IT and human resources communities and other stakeholders. Efforts drive efficiencies/standardizations by eliminating manual and disparate processes, reducing redundancies of human resources efforts, and closing technology gaps across components by implementing</p>



ROOT CAUSE	HOW INITIATIVE ADDRESSES ROOT CAUSE
	<p>enterprise solutions that leverage existing Component-based systems. The Department is actively recruiting IT talent to ensure the availability of a community of highly skilled IT professionals and the IT infrastructures needed to promote a secure America. For example, in July 2016, OCHCO, OCIO, Components, and other stakeholders held the DHS Cyber/Tech Fair aiming to hire hundreds of employees to further strengthen the DHS cybersecurity capabilities. DHS filled more than 66% of targeted of vacancies as a result of this two-day event.</p>
<p>Recruiting, hiring, training and joint operations are not sufficiently coordinated and consistent. (RC #10)</p>	<p>The implementation of the DHS Coordinated Recruiting and Outreach Strategy improves coordination in recruiting across DHS through increased outreach to diverse groups and enhances efficiencies in recruiting. Analysis of the Department’s performance on major entry programs, such as the Pathways program, showed a 175% increase from FY 2013 to FY 2014 and a 12% increase in FY 2015, with strong diversity. OCHCO has already launched efforts to improve standardization of training during the onboarding process, and has implemented a strategic five-level leader development program (including the “Cornerstone” program for supervisors throughout the Department) to promote a consistent and transparent knowledge base for recruiting, hiring, and training the future DHS workforce. Additionally, the intent of the recently expanded office of Chief Learning and Engagement Officer is to strengthen the ability to integrate multiple initiatives that contribute to increased engagement, including recruiting, hiring, learning, and leader development.</p>

Initiative #4: IT Program Governance

ROOT CAUSE	HOW INITIATIVE ADDRESSES ROOT CAUSE
<p>Strategies, requirements, capabilities and resource allocations are not fully integrated Department-wide. (RC #1)</p>	<p>The Department’s Unity of Effort initiative improves Departmental management processes for investments and transparently incorporates DHS Components into unified decision-making processes and the analytic efforts that inform decision making. Unity of Effort is the highest tier of IT program governance and provides enhanced insight and oversight to IT investments regarding planning, investment management and portfolio review, and, ultimately, improving the management of the Department’s \$6.2B IT budget. As a result:</p> <ul style="list-style-type: none"> <li>• The CFO has strengthened and enhanced the Department’s programming and budgeting process by incorporating the results of strategic analyses and joint requirements planning into portfolios. The Deputy’s Management Action Group (DMAG) allows for candid discussion and transparent, collaborative, and coordinated decision making on a wide range of matters pertaining to DHS enterprise management, including emerging issues, joint requirements, program and budget review, acquisition, and operational planning, among others. The DMAG also frames strategic issues for discussion and decision at the Secretary’s Senior Leaders Council (SLC).</li> <li>• The Department established the Joint Requirements Council (JRC), which provides oversight for the development of operational requirements, harmonizes efforts across the Department, and makes prioritized funding recommendations to the DMAG for those validated requirements. The JRC also reviews, validates, and approves Component-driven analyses on capabilities and requirements, and makes recommendations to the DMAG.</li> </ul>



ROOT CAUSE	HOW INITIATIVE ADDRESSES ROOT CAUSE
<p>Policies, procedures, and internal controls are not vertically aligned from management lines of business to Components. (RC #2)</p>	<p>The DHS governance framework supports the vertical alignment of policies, procedures and internal controls. The OCIO Enterprise Business Management Office’s realignment in 2016 led to improved tiered governance, which promotes vertical lines of business and engages key executives to determine the optimal allocation of resources to determine mission outcomes. The governance structure (enterprise, portfolio, and program levels) consists of governance board membership as well as policies, procedures, and activities that are integrated across business, IT, and user communities.</p> <p>The functional portfolios are aligned with the Enterprise Segment Architecture mapping. A standardized framework (e.g., common charter, roles and responsibilities) further reinforces alignment between management lines of business and Components. This structure ensures that key stakeholders are involved in key decisions and enhances enterprise investment alignment. Effective enterprise governance is integral to the planning cycle before the launch of new programs (or upgrades of existing systems), providing clear direction and stated outcomes in support of a program’s execution.</p> <p>The implementation of the Federal Information Technology Acquisition Reform Act (FITARA) further aligns the management lines of business to the Components.</p>
<p>Department-wide technology, infrastructure, and operating procedures remain insufficiently compatible, cohesive, and redundant across Components. (RC #7)</p>	<p>The Department’s successful implementation of FITARA has updated or established many elements that support a compatible, cohesive infrastructure and standardized operating procedures. The Department has demonstrated success with the Federal Data Center Consolidation Initiative and will continue to make progress with the Federal Data Center Optimization Initiative. OCIO has mature enterprise-wide governance processes, including program reviews, IT Acquisition Reviews, and CIO approval of reprogramming requests.</p> <p>OCIO has Implemented the DHS IT Acquisitions Agile Pilots which includes five program-level Integrated Project Teams (IPTs) established to pilot acquisition process improvements that facilitate increased customer value, accountability, and oversight; faster time-to-market; and reduced cost and risk:</p> <ol style="list-style-type: none"> <li>1) Federal Emergency Management Agency (FEMA) – National Flood Insurance Program, IT Phoenix Program</li> <li>2) FEMA – Grants Management Modernization Program</li> <li>3) U.S. Immigration and Customs Enforcement (ICE) – Student Exchange Visitor Information System Modernization Program</li> <li>4) Transportation Security Administration (TSA) – Technology Infrastructure Modernization Program</li> <li>5) U.S. Citizenship and Immigration Services (USCIS) – Verification Modernization Program</li> </ol> <p>A DHS Headquarters Agile Acquisition IPT has been established to bring together representatives from the Office Program Accountability and Risk Management (PARM), JRC, OCIO, the Office of the Chief Procurement Officer (OCPO), OCFO, Office of the Chief Technology Officer, Science and Technology Directorate (S&amp;T) and Digital Services to:</p> <ul style="list-style-type: none"> <li>• Collaborate on improvements to policy, governance, and acquisition guidance to support Agile delivery and enable programs to deliver mission value successfully.</li> <li>• Codify and publicize process improvements and example artifacts generated by program-level IPTs.</li> <li>• Eliminate redundancies and conflicting guidance so that that oversight groups speak with one voice, reducing time through the acquisition process.</li> </ul>



ROOT CAUSE	HOW INITIATIVE ADDRESSES ROOT CAUSE
<p>The Department lacks sufficient program management capability for major (Level 1) and high-priority programs. (RC #9)</p>	<p>To address the lack of sufficient program management capabilities for major high-priority IT investments, the Department has developed a number of IT-focused support and oversight capabilities, in addition to those generally available, including:</p> <ul style="list-style-type: none"> <li>• Taking a leading role at the federal level in implementing competency standards for IT Project and Program Managers, in the form of the Federal Acquisition Certification for Program and Project Managers (FAC-P/PM) from the Office of Federal Procurement Policy. Training to facilitate obtaining the standard has been partially delivered with ongoing planning to address remaining competencies.</li> <li>• Operating a successful program for training and certifying IT program managers. This OCIO-run program has conducted three one-year IT Program Manager Development Program Tracks to provide enterprise training, hands-on experience, and certification to DHS employees who manage IT programs and projects. This initiative is governed by the revised federally mandated OMB, FAC-P/PM policy accompanied with the newly released FAC-P/PM IT Core Plus Specialization requirement.</li> <li>• Establishing technical centers of excellence with resources, best practices, templates, and tools to assist program managers. In addition, these centers of excellence enable experts to serve as mentors to help other employees develop skills and experience in different technical and managerial areas that support program execution.</li> <li>• Establishing a System Engineering Life Cycle course, which teaches this methodology to program managers to help them deliver their investments according to DHS guidance.</li> <li>• Offering an in-house opportunity for certified project management professionals to meet continuing education requirements through the OCIO, as the Project Management Institute (PMI®) approved the DHS OCIO as a registered education provider for government-led project management training.</li> </ul>

[Initiative #5: IT Human Capital Management](#)

ROOT CAUSE	HOW INITIATIVE ADDRESSES ROOT CAUSE
<p>Recruiting, hiring, training, and joint operations are not sufficiently coordinated and consistent. (RC #10)</p>	<p>This initiative is creating a DHS IT community with common talent practices to attract, develop, and retain high-performing professionals to secure America through excellence in service delivery. The 2015 – 2018 DHS IT Strategic Plan emphasizes the importance of making our workforce a priority with the guiding principle to put “People First.” IT human capital practices align with the current FY 2015 – 2018 IT Strategic Plan and leverage hiring, training, and recruiting strategies from the overall FY 2015 – 2019 DHS Human Capital Strategic Plan. Some examples include:</p> <ul style="list-style-type: none"> <li>• Working collaboratively with OCHCO to ensure transparency in hiring processes and strategic alignment with OCIO recruitment initiatives. Additionally, leveraged Department-wide recruitment efforts for mission critical occupations through the DHS Corporate Recruiting Council.</li> <li>• Maximizing the appropriate use of hiring authorities and flexibilities to attract diverse and highly skilled candidates across the Department, in coordination with human capital and security leaders. For example:</li> </ul>



ROOT CAUSE	HOW INITIATIVE ADDRESSES ROOT CAUSE
	<ul style="list-style-type: none"> <li>○ Developed a branding and recruitment strategy, leveraging the DHS Cyber Advertising/Marketing Working Group.</li> <li>○ Conducted a Cyber/Tech Fair in July 2016, filling 66% of targeted vacancies across the Department.</li> <li>○ Utilized the new Smarter IT Delivery Schedule “A” Hiring Authority to hire digital services experts. DHS was the second federal agency to take advantage of this authority and is the largest user, leveraging it to hire individuals with private sector technology experience to support high priority IT programs across the Department.</li> <li>● Conducting IT Immersion Program sessions for new employees across DHS on a quarterly basis. This interactive program enhances new employees’ understanding of the complexities and collaboration opportunities that exist across the DHS IT community. The 11th session was held on May 6, 2016.</li> <li>● Encouraging participation in OCHCO training events targeting new employees and supported training of hiring managers to increase knowledge of hiring and recruitment.</li> <li>● Launching “My OCIO,” a website to educate IT managers and HR professionals on human capital policies and practices as well as employee development opportunities. Additionally, awareness is conducted through employee forums, training sessions, and all-hands meetings.</li> <li>● Mandating the use of Individual Development Plans to focus on short- and long-term goals for employee training and professional development.</li> <li>● Resolving issues related to recruitment, realignments, employee relations, and performance management with OCIO managers and supervisors.</li> </ul>

Initiative #6: Information Security

ROOT CAUSE	HOW INITIATIVE ADDRESSES ROOT CAUSE
<p>Policies, procedures, and internal controls are not vertically aligned from management lines of businesses to Components. (RC #2)</p>	<p>This initiative ensures the application of policy and procedures is consistent with the annual Information Security Performance Plan. The plan helps ensure information security can be clearly articulated to the business functions. The plan also enables Components to report compliance at both the Component and business levels for improved accountability.</p>
<p>Department-wide technology, infrastructure, and operating procedures remain insufficiently compatible, cohesive, and redundant across Components. (RC #7)</p>	<p>This initiative is defining compliance reporting requirements based on National Institute of Standards and Technology reporting standards for security authorization and continuous monitoring. By leveraging federal reporting standards, improving education, and standardizing results, the initiative will make interpretation more consistent and cohesive across Components.</p>



Initiative #7: Acquisition Workforce Development

ROOT CAUSE	HOW INITIATIVE ADDRESSES ROOT CAUSE
<p>The Department lacks sufficient program management capability to effectively manage major programs across the Department or within a Component. (RC #9)</p>	<p>This initiative improves the Department’s ability to effectively manage major programs by promoting the development and sustainment of a professional acquisition workforce. The Department has established a professional certification program to train and develop its current workforce and ensure each individual meets mandatory education, training, and experience requirements for their specific acquisition position. Because of the rapidly changing nature of the federal acquisitions environment, the Department also requires continuous learning programs to help employees maintain professional currency, meet ethical standards, and keep updated with lessons learned throughout industry and the Federal Government. DHS has instituted professional development programs to better prepare acquisition personnel and executives for acquisition challenges going forward.</p> <p>DHS has expanded certification beyond the three programs required by the Office of Federal Procurement Policy: program management, contracting, and contracting officer’s representative. By offering certification programs in cost estimating, program financial management, lifecycle logistics, test and evaluation, and systems engineering, DHS is ensuring that its workforce is properly trained and certified across the entire acquisition spectrum.</p> <p>Training and certification of acquisition personnel is helping establish consistent standards across the Department and is expected to result in better acquisition documentation, better lifecycle cost estimates, more rigorous testing, and increased collaboration between Components, functional areas, and headquarters.</p> <p>Establishing consistent training, certification, and program assessment ensures that DHS as a whole is better situated to evaluate program performance and management, identify program issues, and ensure timely corrective actions. At the program level, personnel trained in sound program management fundamentals are more likely to take early action on their own, work across traditional boundaries, and overcome many of the specialty stovepipes that have plagued government acquisitions in the past.</p>

Initiative #8: Acquisition Management Oversight

ROOT CAUSE	HOW INITIATIVE ADDRESSES ROOT CAUSE
<p>The Department lacks sufficient program management capability to effectively manage major programs. (RC #9)</p>	<p>Effective program management is a multi-tiered process. The Component Acquisition Executive (CAE) provides a mechanism to effectively manage programs at the Component level. In recent years, DHS has elevated and strengthened the role of CAEs and their qualifications.</p> <p>In FY 2016, PARM has increased staff specifically in the number of Component leads and in the Acquisition Support Division to provide additional focus on activities such as acquisition decision actions and staffing assessments. DHS developed an accurate and timely acquisition program health assessment process, documented in Instruction 102-05-001. This assessment process helps provide accurate, timely acquisition program data to the Chief Acquisition Officer (CAO).</p> <p>DHS institutionalized a staffing model that is used by CAEs to develop staffing plans. The staffing plans identify staffing gaps and mitigation strategies to close identified gaps. PARM is continuing to monitor critical gaps quarterly through the CAE. Acquisition Review Boards (ARBs) review program staffing as well, to</p>



ROOT CAUSE	HOW INITIATIVE ADDRESSES ROOT CAUSE
	ensure this progress is further sustained. When shortfalls are identified, the CAO directs PARM to conduct “deep dive” reviews and make recommendations for structuring the program and mitigating critical gaps. Additionally, the ARB assesses staffing at all major program reviews.

Initiative #9: Program Management Corps

ROOT CAUSE	HOW INITIATIVE ADDRESSES ROOT CAUSE
The Department lacks sufficient program management capability to effectively manage major programs across the Department or within a Component. (RC #9)	<p>This initiative develops high-performing and integrated program management capability and continued oversight.</p> <p>In FY 2016, PARM has increased staff specifically in the number of Component Leads and the Acquisition Support Division to provide additional focus on activities such as acquisition decision actions and staffing assessments.</p> <p>For the last two years, CAEs have submitted staffing plans for CAE support staff and the Components' major acquisition programs to determine whether there were sufficient numbers of trained, qualified, and experienced acquisition staff to oversee, manage, and execute their major acquisition programs. These staffing plans identified staffing gaps and mitigation strategies. DHS tracks and monitors staffing gaps on a recurring basis and reports progress to GAO and Department leadership. Additionally, this effort supports an objective evaluation of program health (i.e., Acquisition Program Health Assessment).</p>

Initiative #10: Unity of Effort

ROOT CAUSE	HOW INITIATIVE ADDRESSES ROOT CAUSE
Strategies, requirements, capabilities and resource allocations are not fully integrated Department-wide. (RC #1)	<p>Unity of Effort creates structures for integrated planning, resourcing and capability decisions to better link up-front strategic guidance to operational results. These structures include senior leader forums (e.g., SLC, DMAG, JRC, and ARB).</p> <p>The SLC and DMAG have made critical decisions regarding strategy, resource allocation, requirements and operational planning that have enterprise-wide budgetary implications. This effort to link strategy, planning and resources together is evidenced by the introduction of two signature documents issued by the Secretary annually: 1) the Resource Planning Guidance (RPG) and 2) the Operational Planning Guidance. Together, these documents have created a more efficient and mission-focused budget. The JRC functions as a governance body that provides oversight to the development of operational requirements across the Department in order to build a more unified and operationally effective organization. Additionally the ARB functions as the governance body for overseeing the execution of the Department's major acquisitions.</p>
Priorities, goals and measures do not adequately drive strategies and budget decisions. (RC #3)	<p>Through Unity of Effort, the Department is developing a more robust feedback mechanism to identify gaps and deficiencies. For example, the DHS annual Strategic Review assesses Departmental progress against the goals outlined in the DHS Strategic Plan, in accordance with the Government Performance and Results Act Modernization Act of 2010. The Strategic Review's findings identify areas for improvement to inform programming and budgeting, as well as serve as a feedback mechanism for future planning efforts across the Department.</p> <p>Additionally, the Department's Border Metrics analytical efforts serve as another example of the Unity of Effort initiative resulting in improved measures. This</p>



ROOT CAUSE	HOW INITIATIVE ADDRESSES ROOT CAUSE
	<p>effort fulfills the Secretary’s desire to better manage business processes that achieve long-term results, as well as enhance near-term oversight and management of border and immigration operations in coordination with the Joint Task Forces (JTFs). The Department undertook this extensive analytical work by examining Goal 2.1 of the DHS Strategic Plan (“Prevent Illegal Entry”). This data-driven undertaking created a new set of measures for the Secretary to review with JTF Directors that measure the totality of illegal entry along the Southwest border. A later study built upon this work to examine the effectiveness of DHS’s investments along the Southwest border to inform future strategy and budgetary decisions.</p>
<p>The Department’s management integration strategy requires testing and implementation. (RC #4)</p>	<p>Lessons learned from the Integrated Investment Lifecycle Management Initiative, which was tested through a year-long pilot covering three portfolios, were incorporated into the Unity of Effort framework.</p> <p>Unity of Effort is tested through year-over-year execution of the Department’s PPBE processes. Annual process assessments are conducted and observations are included in future process iterations. These assessments include the initial Alignment Assessment for the FY 2018 – 2022 Resource Planning Guidance, which assessed Component resource allocation plan compliance with the Secretary’s RPG and “Hot Washes” after each of the last two DHS Winter Study efforts. Lessons learned have been incorporated into changes to the joint requirements process and portfolio team structure, Senior Leader Forum administration, the institutionalization of acquisition oversight and through the appointment of dedicated staff within DHS headquarters to refine strategy, planning, and analytical capabilities.</p>
<p>The Department lacks adequate mechanisms to promote accountability for critical investments and goals. (RC #5)</p>	<p>DHS made significant progress in reforming its acquisition process by implementing governance structures, updating policies and processes, standardizing and professionalizing the DHS acquisition leadership and workforce, and overseeing the Department’s major acquisitions in an integrated manner. The JRC meets regularly and includes representatives from the operational Components, PLCY, S&amp;T, PARM, and the Program Analysis and Evaluation office and provides recommendations to the DMAG. ARBs support the Under Secretary for Management in his role as CAO in reviewing programs. These ARBs include representatives from PLCY, JRC, S&amp;T, the Office of General Counsel, PARM, and the Management lines-of-business. The relationship between the CAO and the CAEs—who are appointed by the CAO—provides well defined authority and increased Department-level access to major acquisition programs. As a result, problems can be identified sooner, before they reach a critical stage.</p> <p>Additional examples of how the Department has addressed this root cause include:</p> <ul style="list-style-type: none"> <li>• Standardizing training and qualification levels for Component acquisition professionals to strengthen the competency and capability of the acquisition workforce.</li> <li>• Solidifying the acquisition governance structure at the Component level to provide better insight into the performance of major programs.</li> <li>• Expanding the oversight authority and reach of the ARB to focus on major issues beyond program performance and effectiveness, and ensuring existing programs have validated, up-to-date requirements documentation.</li> <li>• Conducting quarterly Master Acquisition Oversight List Governance Board meetings to review and approve Component requests for changes in the acquisition status of their individual programs/projects.</li> <li>• Conducting monthly CAE Staff Forums to improve communication between Headquarters and the Components and among the Components. Forum</li> </ul>



ROOT CAUSE	HOW INITIATIVE ADDRESSES ROOT CAUSE
	<p>participants address issues, share information and best practices, and work to improve overall acquisition and program management within the Department. This forum is complimentary to, and has the support of, the CAE Council.</p> <ul style="list-style-type: none"> <li>• Updating Department policy to reflect and empower OCIO to implement FITARA, which has improved the management and oversight of information technology across the Department.</li> <li>• Developed the Acquisition Program Health Assessment with an accompanying report that is developed and submitted quarterly to the DHS CAO. This report provides an efficient way for DHS leadership to stay informed about major acquisition programs.</li> <li>• PARM and the CIO worked collaboratively to integrate the two primary reporting systems (next generation Program Reporting System and the Investment Management System) into one system, INVEST (Investment Evaluation, Submission, and Tracking), to enhance data accuracy and validity.</li> <li>• Updating the DHS Management Instruction 102-01-001 that provides implementation direction for Directive 102-01, Acquisition Management.</li> <li>• Updating the DHS Instruction 102-01-103 Systems Engineering Life Cycle and the 102-01-103-01 <i>DHS Systems Engineering Life Cycle Guidebook</i> which supports Acquisition Management Directive 102-01.</li> <li>• Developing DHS Instruction 102-01-004 <i>Agile Development and Delivery for Information Technology Instruction</i> which provides the scope, definitions, roles and responsibilities, and procedures to establish an agile framework for the development of IT acquisitions within DHS.</li> <li>• The JRC and other applicable stakeholders developed the DHS Instruction Manual 107-01-001-01, <i>DHS Manual for the Operation of the Joint Requirements Integration and Management System (JRIMS)</i>, which augments Directive 107-01 JRIMS Policy and 071-02 JRC Policy. This manual provides information regarding activities including identification of capability requirements and gaps, development of solution approaches, gatekeeping, coordination and validation, and management of portfolios. Additionally, this manual incorporates updates to three key acquisition documents: the Mission Needs Statement, Operational Requirements Document, and the Concept of Operations.</li> </ul>
<p>The Department-wide PPBE process remains immature for cross-Component initiatives. (RC #8)</p>	<p>Unity of Effort integrated pre-existing organizational “stove pipes” to create transparent governance and a more efficient, coordinated and centralized PPBE system. This is codified in DHS Directive 101-01, <i>Planning, Programming, Budgeting, and Execution</i>, and accompanying Instruction 101-01-001. DHS streamlined, documented, and established repeatable and transparent business processes to program, budget, and execute resources needed to perform the Department’s critical missions.</p> <p>DHS PLCY leads the planning phase by establishing a transparent process to develop resource planning priorities and Winter Studies that are outlined in the annual RPG. OCFO, Program Analysis and Evaluation Division, allocates resources based on strategic guidance from the RPG during the programming phase. The CFO’s Budget Division then properly prices programs during the budgeting phase.</p> <p>Additionally, DHS made significant progress using independent cost assessments through the OCFO’s Cost Analysis Division. Independent cost assessments support the annual DHS Program and Budget Reviews, enhancing analytical capability to inform leadership decisions.</p> <p>Additionally, the Department is looking at year-over-year execution of PPBE to show tangible benefits in addressing this root cause.</p>



ROOT CAUSE	HOW INITIATIVE ADDRESSES ROOT CAUSE
<p>Recruiting, hiring, training and joint operations are not sufficiently coordinated and consistent. (RC#10)</p>	<p>The Department continues to enhance training and joint operations via the Unity of Effort initiative. For example, DHS is strengthening leaders' diversity in skills and perspectives through joint assignments and tiered leadership training that emphasizes an enterprise-wide view (e.g., mandatory cross-Component developmental rotations for the Senior Executive Service Candidate Development Program). DHS plans to build on this foundation to further ensure DHS personnel are knowledgeable about both operational and mission-support Component functions.</p> <p>DHS also coordinates joint operations through the development and implementation of the Southern Border and Approaches Campaign Plan and the associated JTFs. JTF East, JTF West, and JTF Investigations support this campaign by combatting transnational crime, preventing illegal flows at ports of entry, mitigating terror risk, managing the lawful transit of people and goods and curbing illegal activities along the border. The JTFs have been in full operational capacity since July 2015 and further Unity of Effort by integrating major operational Components (i.e., U.S. Customs and Border Protection, ICE, and U.S. Coast Guard). Each JTF has also established a headquarters to enhance effectiveness and regularly reports to the Secretary on its objectives and progress.</p> <p>DHS is also showing significant progress in the implementation of its new Joint Operational Planning and Force Allocation Process. In October 2015, the Secretary signed the FY 2016 Operational Planning Guidance which directs the development of new DHS joint operational plans. The Secretary is preparing to sign the FY 2017 Force Allocation guidance, which will provide DHS Component personnel and assets to the DHS JTFs for their use in achieving the objectives of the DHS Southern Borders and Approaches Campaign Plan.</p>
<p>DHS lacks effective decision making due to lack of rigorous analysis and alignment among and between Components and headquarters. (RC #11)</p>	<p>Two new senior leader forums, the Secretary-chaired SLC and the Deputy Secretary-chaired DMAG meet biweekly to drive decision-making and synchronization of Unity of Effort activities and other high-priority initiatives. Their activities include making critical decisions on investments for the FY 2016 and FY 2017 Program and Budget requests; developing the DHS Strategic Priorities Framework and other strategic guidance documents (e.g., Operational Planning Guidance); and creating the Southern Border and Approaches Campaign Guidance, Operational Plan, and Joint Operating Concept.</p> <p>The JRC, which reports to the DMAG, has made significant progress in reforming the DHS requirements portion of the acquisition process by updating policies and processes to manage the Department's requirements generation, review, and oversight processes more efficiently. The JRC developed the JRIMS, which is used to generate and validate operational requirements for the Department.</p> <p>Additionally, the Department's ARB, chaired by the Under Secretary for Management as CAO, continues to oversee the Department's major acquisitions in accordance with Management Directive 102-01 and its supporting instructions and guidebooks.</p>
<p>Budget process to consolidate Components' resource requests is suboptimal. (RC #12)</p>	<p>The development of up-front Secretarial Guidance, the RPG, has not only informed the Program and Budget Review with respect to prioritization, but allows cross-Component issues to be addressed at the Departmental level, as opposed to within Components. Through Unity of Effort, Components' budget proposals are disseminated across the Department, enhancing systematic transparency.</p> <p>The JRC, PARM, PLCY, and OCIO also provide support during the Program and Budget Review by reviewing Resource Allocation Plans for alignment to requirements and acquisition guidance, strategic alignment, and adherence to the Secretary's RPG.</p>

Initiative #11: Business Intelligence

ROOT CAUSE	HOW INITIATIVE ADDRESSES ROOT CAUSE
Strategies, requirements, capabilities, and resource allocations are not fully integrated Department-wide. (RC #1)	Through the MGMT Cube and the MGMT Dashboard Steering Committee community, DHS is creating an integrated structure that allows data to be tracked from planning to programming and through to execution.
Policies, procedures and internal controls (RC #2)	This initiative allows for the standardization of core lexicon and data elements as well as coordination of management health and increased accountability.
Priorities, goals, and measures do not adequately drive strategies and budget decisions. (RC #3)	This initiative will review current measures used to assess management functions and potentially revise them to be better aligned with strategic goals.
The Department's management integration strategy requires testing and implementation. (RC#4)	The MGMT Cube supports the continued integration of the Department's management functions. Integrating the Department's financial, acquisition, human capital, contracting, asset, and security data in a single tool will assist DHS in strategically coordinating and managing DHS functions.
The Department lacks reliable business intelligence to inform acquisition and financial management decisions. (RC#6)	<p>The MGMT Cube is an IT tool that standardizes core data elements to integrate the Department's financial, acquisition, human capital, contracting, asset and security data to support analysis and decision making. Users can access this data, build models and develop visualizations to answer Department-wide business questions about workforce, funding and investments. The tool integrates data from seven unique data marts:</p> <ol style="list-style-type: none"> <li>1) CFO Horizon—OCFO</li> <li>2) Decision Support Tool—OCIO and PARM</li> <li>3) Enterprise Architecture Information Repository—OCIO</li> <li>4) CRSO Asset Portfolio and Sustainability Information System—Office of the Chief Readiness Support Officer</li> <li>5) Analytics Information System—OCHCO</li> <li>6) Enterprise Reporting Application—OCPO</li> <li>7) Integrated Security Management Systems—Office of the Chief Security Officer</li> </ol>
DHS lacks effective decision making capability due to lack of rigorous analysis and alignment among and between Components and headquarters. (RC#11)	This initiative improves integrated data governance activities to facilitate alignment and coordination with components across financial, acquisition, human capital, contracting, asset, and security data. Each line of business maintains cross-component data governance and/or change control board activities with the purpose of enabling collaboration with components for standardization and coordination of datasets and/or systems.



**Appendix B**

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**Integrated Priority Areas  
2015 - 2016**



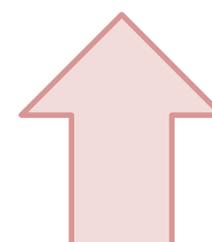
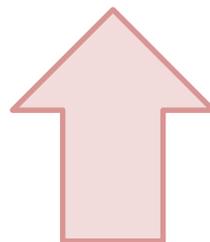
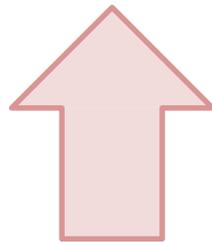
**Appendix B**

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**Integrated Priority Areas  
2015 - 2016**

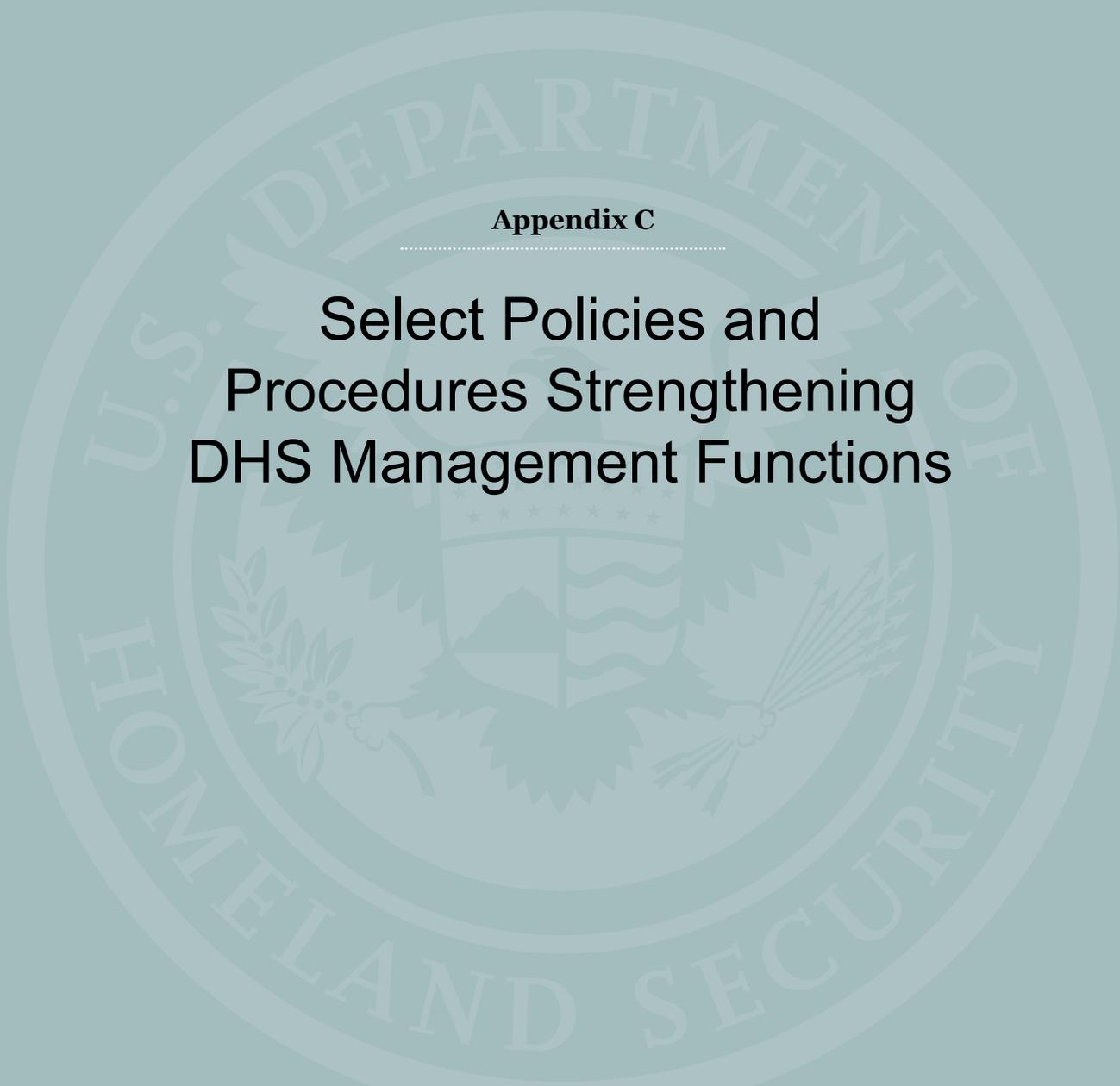
# Appendix B: Management Directorate Integrated Priority Areas 2015-2016

<b><u>Integrated Priority 1</u></b>	<b><u>Integrated Priority 2</u></b>	<b><u>Integrated Priority 3</u></b>	<b><u>Integrated Priority 4</u></b>
<p><b>Strengthen Resource Allocation and Reporting Reliability</b></p> <p>Lead: CFO Co-Lead: CRSO</p> <p>1.1 Resource allocation by mission area</p> <p>1.2 Common Appropriations Structure</p> <p>1.3 Modernize financial systems</p> <p>1.4 Obtain “Clean” audits and reduce material weaknesses</p> <p>1.5 Consolidate the DHS footprint</p>	<p><b>Enhance Delivery of Mission Support Capability through Acquisition Excellence</b></p> <p>Lead: CPO Co-Lead: PARM</p> <p>2.1 Mission-focused procurement solutions</p> <p>2.2 Action-oriented communication with stakeholders</p> <p>2.3 Effective policy and proactive oversight</p>	<p><b>Develop and Deploy Secure Technology Solutions</b></p> <p>Lead: CIO Co-Lead: CPO</p> <p>3.1 “Gold Standard” for Department-wide Cybersecurity</p> <p>3.2 Innovative and <i>Agile</i> technology solutions</p> <p>3.3 Reliable technology infrastructure</p>	<p><b>Recruit, Retain, and Develop Talent</b></p> <p>Lead: CHCO Co-Lead: CSO</p> <p>4.1 Cybersecurity and technology workforce</p> <p>4.2 Efficient and effective end-to-end hiring process</p> <p>4.3 Employee engagement and workforce development</p>
<b>Strategic Communications, Legislative Coordination, GAO High Risk</b>			



**FOUNDATIONAL PRIORITY**  
Cement Unity of Effort reforms in policies and sustainable procedures

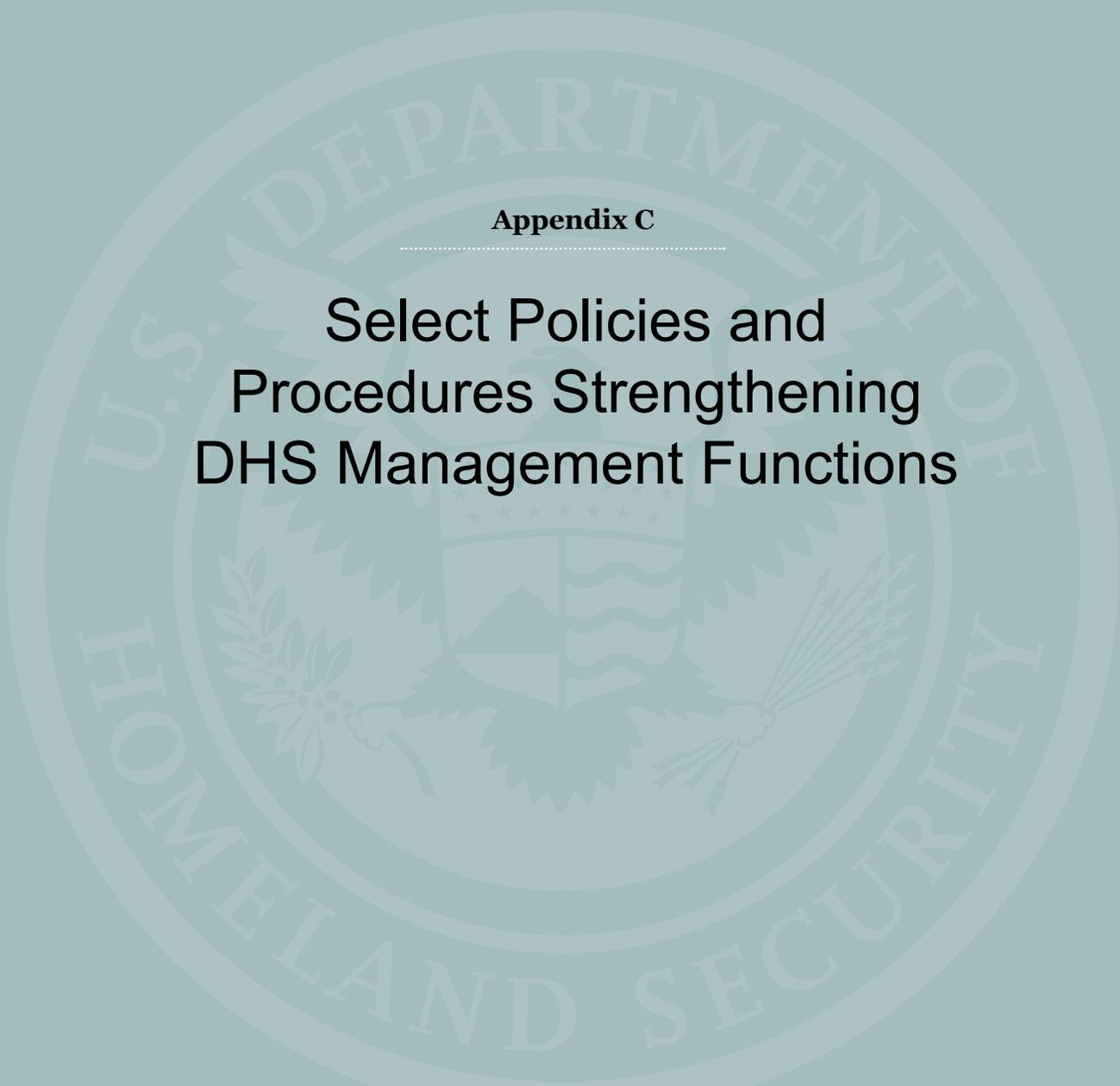




**Appendix C**

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**Select Policies and  
Procedures Strengthening  
DHS Management Functions**



**Appendix C**

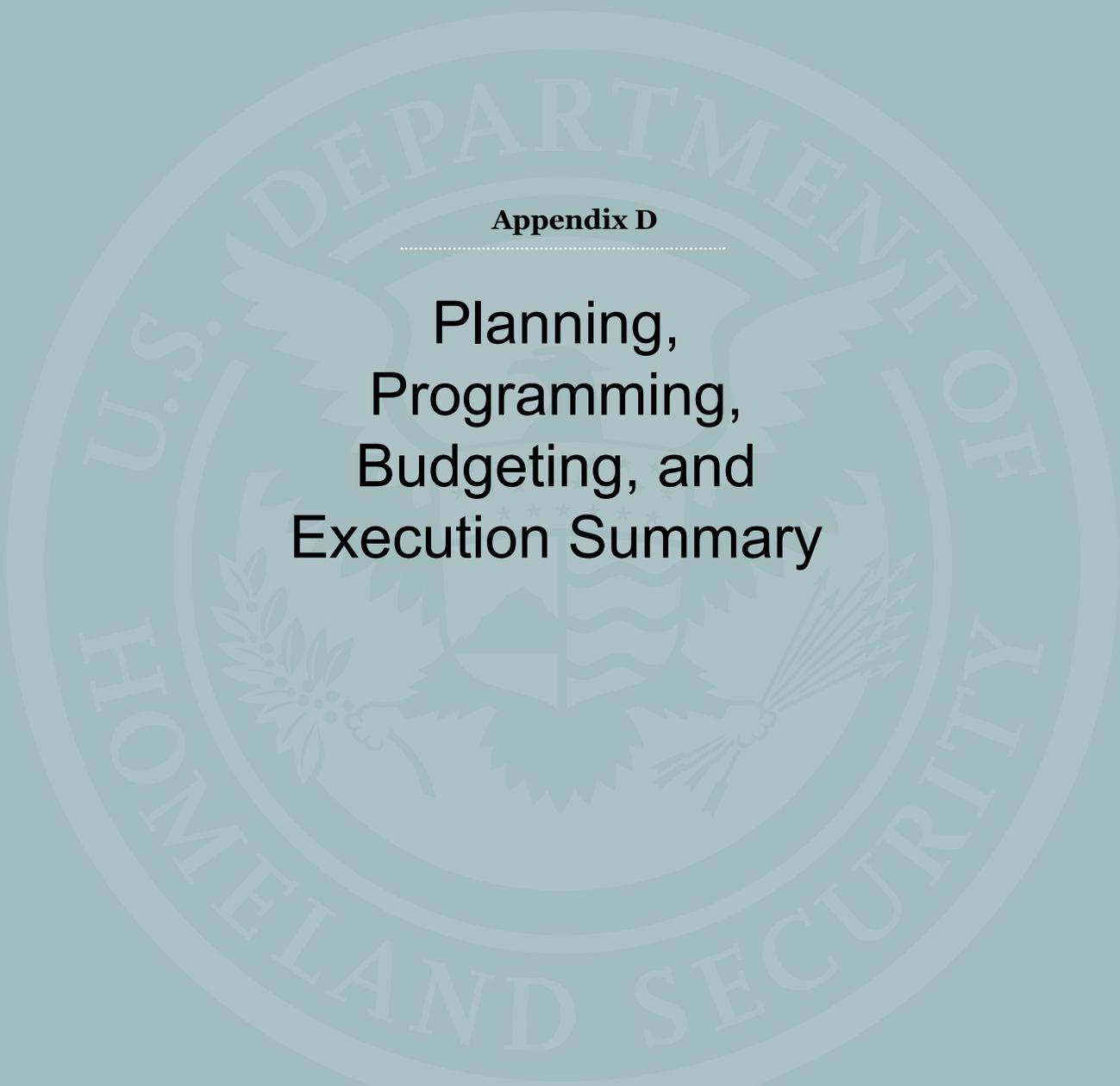
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**Select Policies and  
Procedures Strengthening  
DHS Management Functions**



Title of Document	Description	Codifying Document	Date of Issuance
<b>Unity of Effort</b> (See Chapter 3, Initiative 10)	<ul style="list-style-type: none"> <li>Institutionalize broad management improvements to processes, procedures, and governance.</li> </ul>	S1 Memorandum	April 2014
	<ul style="list-style-type: none"> <li>Establish senior leadership forums for decision-making.</li> </ul>	Directive 071-01	June 2015
<b>Budget Development and Assessment</b>	<ul style="list-style-type: none"> <li>DHS CFO has Department-wide authority and responsibility for the oversight, and direction of the Department’s budget.</li> </ul>	Delegation 01000	June 2012
	<ul style="list-style-type: none"> <li>Advance Planning and Programming processes.</li> </ul>	Directive 101-01	July 2016
	<ul style="list-style-type: none"> <li>Establish mission-focused, cross-DHS budget development and assessment process.</li> </ul>	Submitted mission-based budget for FY 2017	January 2016
<b>Joint Requirements Council</b>	<ul style="list-style-type: none"> <li>Establish sound and synchronized operational requirements and R&amp;D processes to provide sound capability options for decision-making</li> </ul>	Directive 071-02	February 2016
		Instruction 107-01-001-01	April 2016
<b>Enhance Acquisition oversight</b>	<ul style="list-style-type: none"> <li>Establish an acquisition management system that effectively provides required capability to DHS users in support of DHS missions.</li> </ul>	Directive 102-01 USM memorandum	November 2008
	<ul style="list-style-type: none"> <li>PARM Executive Director is responsible for the overall acquisition program and investment support.</li> <li>Senior Procurement Executive (CPO) assists PARM Executive Director in monitoring performance of acquisition activities and DHS programs.</li> </ul>	Delegation 0704 Delegation 0702	June 2012
	<ul style="list-style-type: none"> <li>DHS CIO conducts program reviews and manages IT acquisition strategy and spending.</li> </ul>	Directive 142-02	February 2014
		Instruction 142-02-001	March 2015
	<ul style="list-style-type: none"> <li>Overhaul acquisition processes and supporting elements to include: acquisition documentation, revitalize Acquisition Review Board, Component Executive structure, systems engineering life cycle, agile development and delivery.</li> </ul>	Directive 102-01, Revision 03	July 2015
		Instruction 102-01-103	November 2015
		Instruction 102-01-004	April 2016
<b>Foster better relationships with Industry (External Partnerships)</b>	<ul style="list-style-type: none"> <li>Acquisition Innovations in Motion (AliM)</li> </ul>	“One Year Later” letter	April 2015
	<ul style="list-style-type: none"> <li>Proactive outreach plans to Congress, Federal Funded Research and Development Centers, Homeland Security Advisory Council</li> </ul>	Delegation 0300	September 2004
		Instruction 143-04-001	February 2014
<b>Unify Human Capital Management across the Department</b>	<ul style="list-style-type: none"> <li>Work with Component CHCOs to sustain a unified Strategic Human Capital Management Plan</li> </ul>	Strategic Plan	October 2014
	<ul style="list-style-type: none"> <li>Employee Developmental Rotations</li> </ul>	Directive 250-01 Instruction 250-01-001	August 2016

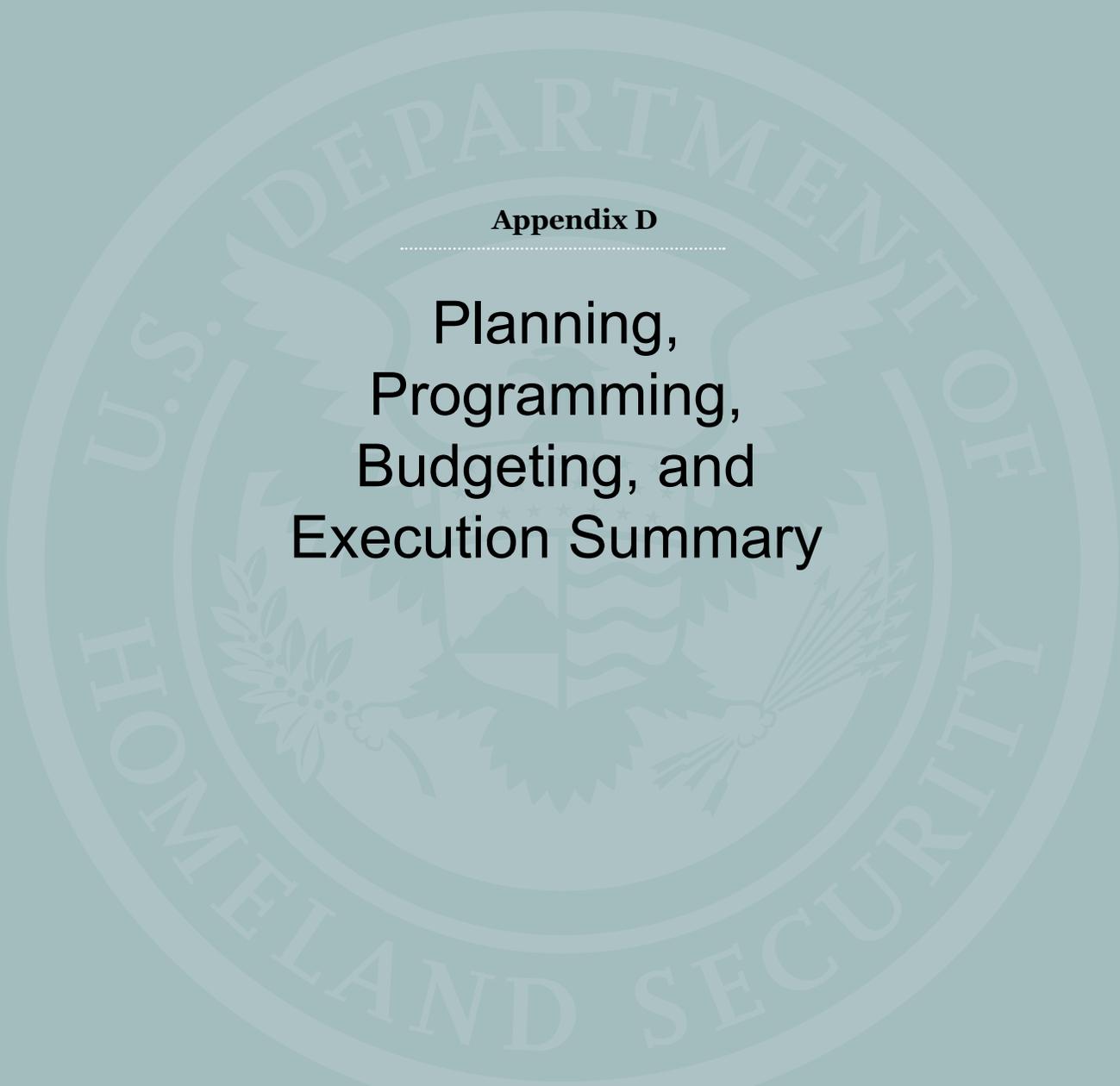




**Appendix D**

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**Planning,  
Programming,  
Budgeting, and  
Execution Summary**



**Appendix D**

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**Planning,  
Programming,  
Budgeting, and  
Execution Summary**

The Department of Homeland Security (DHS) resource allocation process is governed by a planning, programming, budgeting, and execution (PPBE) system. PPBE is an annual process that incorporates long-term strategic planning and serves as the basis for developing the Department's annual budget submission and out-year spending profile as enumerated in the *Future Years Homeland Security Spending Plan* (FYHSP) Report to Congress. This is in accordance with the provisions of the Homeland Security Act of 2002. In addition, PPBE establishes parameters and guidelines for implementing and executing the current budget. The Department monitors progress and ensures accountability throughout PPBE and through comprehensive reporting.

During the planning phase, goal setting, risk assessment, and mission scoping are conducted to determine and prioritize the capabilities necessary to deliver results aligned to the DHS Strategic Plan. In programming, resources are allocated to best meet the prioritized needs within projected resources, considering potential performance gains in the process. In budgeting, budget estimates are developed to ensure the efficient and effective use of funding to meet priorities; and the planned levels of performance are integrated with the levels of funding requested. Finally, in execution, program execution and performance results are compared to plans to assess accomplishments and shortfalls, and to inform future execution efforts and the other phases of the PPBE cycle.

Recent enhancements to the capacity of the DHS PPBE system work in concert with other Departmental senior management processes to promote a homeland that is safe, secure, and resilient against terrorism and other hazards, and where American interests, aspirations, and way of life can thrive by ensuring that:

- Resource decisions are based on explicit criteria of national interest.
- Resource decisions are based on choices among specific, balanced, and feasible alternatives.
- Needs and costs are considered simultaneously.
- Open and explicit analysis, available to all parties, forms the basis for resource decisions.
- A multi-year force and financial plan projects the consequences of present resource decisions into the future.

The PPBE system has been strengthened with a number of planning and analysis activities. Besides the traditional longer-term planning activities of the Quadrennial Homeland Security Review and the DHS Strategic Plan, the annual Resource Planning Guidance (RPG) provides the Secretary's direction to DHS Components to inform development of their Resource Allocation Plans and ultimately the FY 2018 Congressional Justification and the FY 2018 – 2022 FYHSP Report to Congress. The resource guidance and analytic efforts called for in this document focus on strengthening institutional and Departmental cross-cutting functions.

To initiate the programming phase, DHS leadership considers planning priorities, constraints projected by the Administration, and recent Congressional direction to set fiscal guidance annually. This usually occurs in February, is directed by the Deputy Secretary, and is published through the Chief Financial Officer (CFO). During the programming phase, typically April to July, Department leadership selects major cross-cutting issues involving significant resources for analysis. The formal hand-off from programming to budgeting occurs as the decisions of Department leadership are documented in a series of tables by account with accompanying directive language, or the Resource Allocation Decision typically delivered in late July.

PPBE has been also been strengthened through the addition of several key activities, including the RPG directing analysis in advance of the annual Program and Budget Review (PBR) process, beginning with Winter Studies—short-term analytical activities that examine cross-cutting issues with potential resource implications. Winter Studies outputs are further addressed during PBR itself, through the formation of Programmatic Issue Teams. These teams develop resource options for key leadership issues.

The PPBE system has also been strengthened through the establishment of the Joint Requirements Council (JRC) and implementation of the Joint Requirements Integration Management System (JRIMS).



Under JRIMS, all emerging requirements are assessed and validated before they compete for resources, such that all future resource decisions will be tied to validated requirements. The JRC is also developing a process to prioritize, or tier, emerging and extant requirements, in order to help senior leadership better understand the marginal utility of any potential resource allocation decisions.

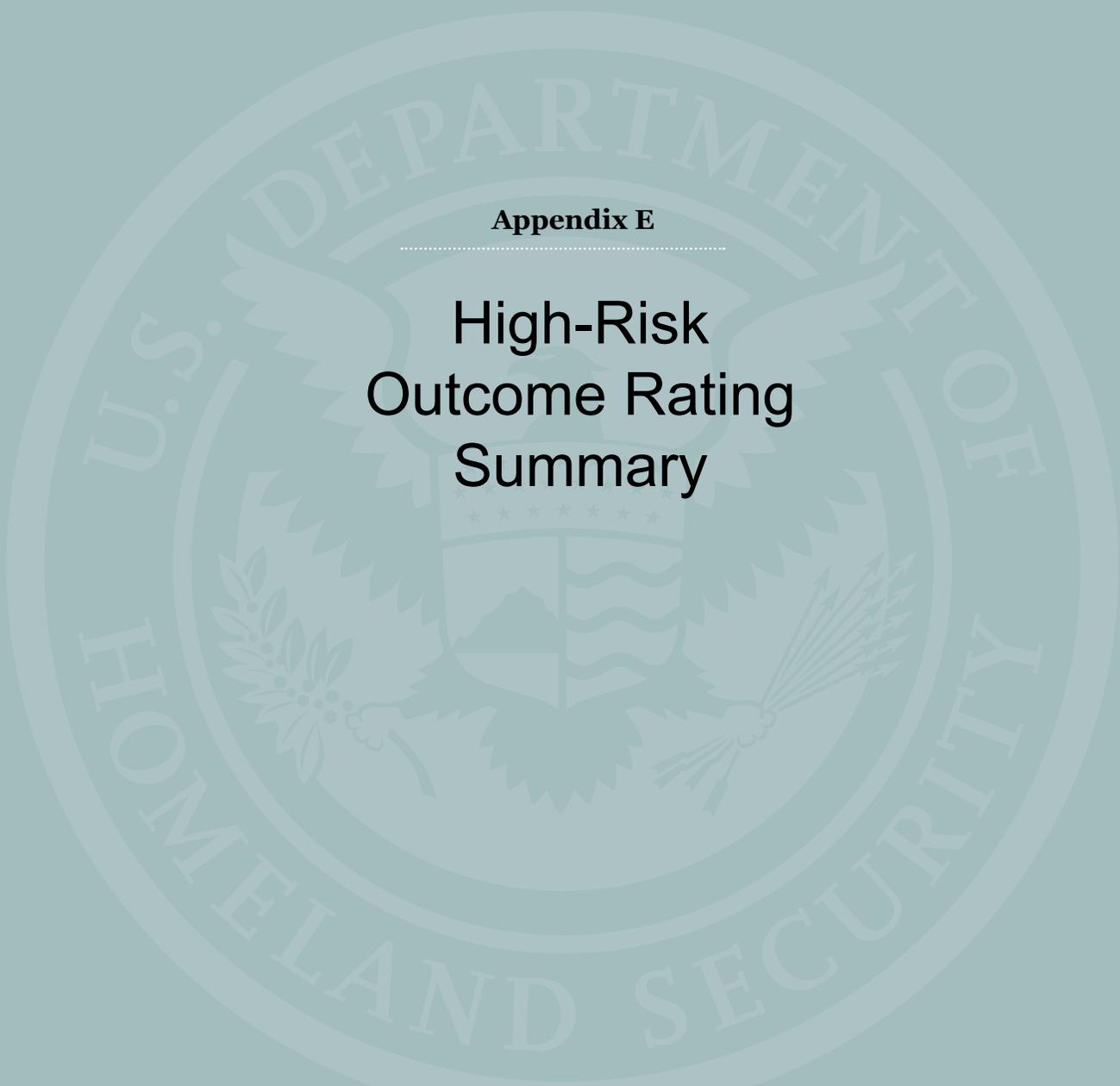
In addition, the Department has made strides in acquisition oversight, extending into PBR itself. As part of their resource allocation request, components are required to submit updated cost estimates for Level 1 and Level 2 acquisition programs at relevant milestones, allowing senior leaders visibility into potential funding imbalances and offering the opportunity to make decisions which can mitigate those issues as part of the resource allocation process.

PPBE and the PBR process offer decision-makers the opportunity to identify, assess, and make resourcing decisions for significant Departmental issues. For example, two years ago, the Department convened a Winter Study on workforce management. The study team identified gaps in the Department's ability to validate, resource, and manage the workforce. As a result of that work, senior leadership approved resources for the Chief Human Capital Officer and CFO to establish a workforce planning capability. The resources were requested with submission of the Department's FY 2017 Budget Request, and we anticipate favorable review by Congress this fall.

Given the significant investment in IT programs, CFO has also integrated the Chief Information Officer into the resource allocation process. This integration predated the passage of the Information Technology Acquisition Reform Act, and CIO's role in PPBE has been codified in the PPBE management directive and accompanying instruction. Extensive CIO involvement has been critical to senior leadership resource decisions in all areas of IT, including infrastructure and security.

While the programming phase results in the Department's plan for program execution, emerging and unexpected events occur that necessitate reprioritizing funding during the year of budget execution. The DHS Appropriations Act provides the Department the means to make these adjustments (reprogram and/or transfer funds) with the appropriate Congressional notification no later than June 30 each fiscal year. The Department takes a holistic approach and works with the Components to identify potential sources and requirements which should be considered for a reprogramming. Each of these are prioritized to ensure the Department's highest requirements are funded based on the available sources. The overall reprogramming proposal is briefed to the Secretary for approval.

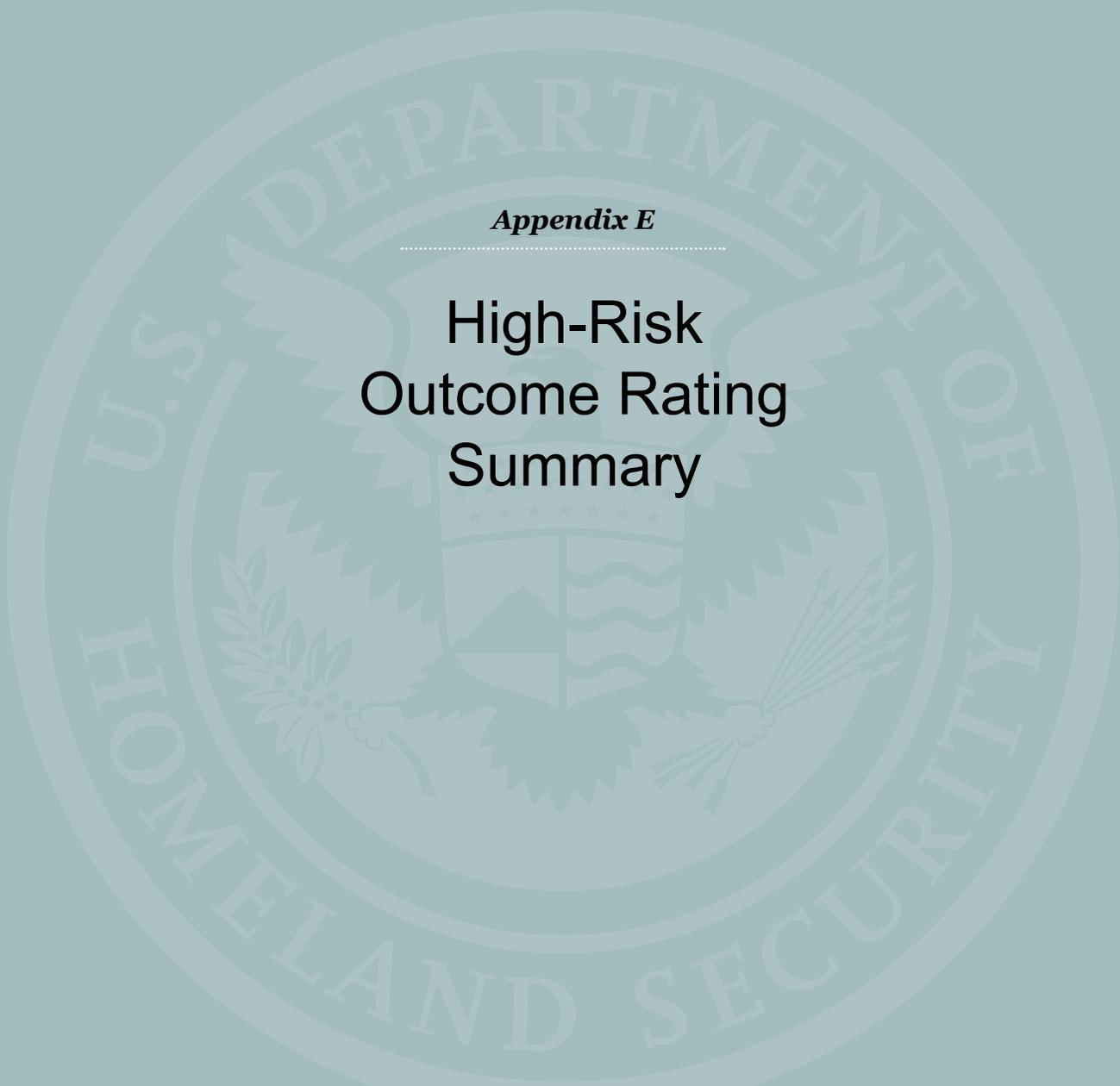
Finally, the Department measures program execution through the Performance Management process and incorporates feedback from that process into other phases of PPBE. The addition of the annual strategic review assessment of process in the implementation of the agency strategic plan has strengthened the linkage between execution and the various front-end planning activities that initiate the PPBE process. The findings from these reviews also inform resource allocation decisions, as they highlight areas that might possibly need additional funding, manpower, or both in order to achieve targeted execution levels.



**Appendix E**

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**High-Risk  
Outcome Rating  
Summary**



*Appendix E*

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**High-Risk  
Outcome Rating  
Summary**

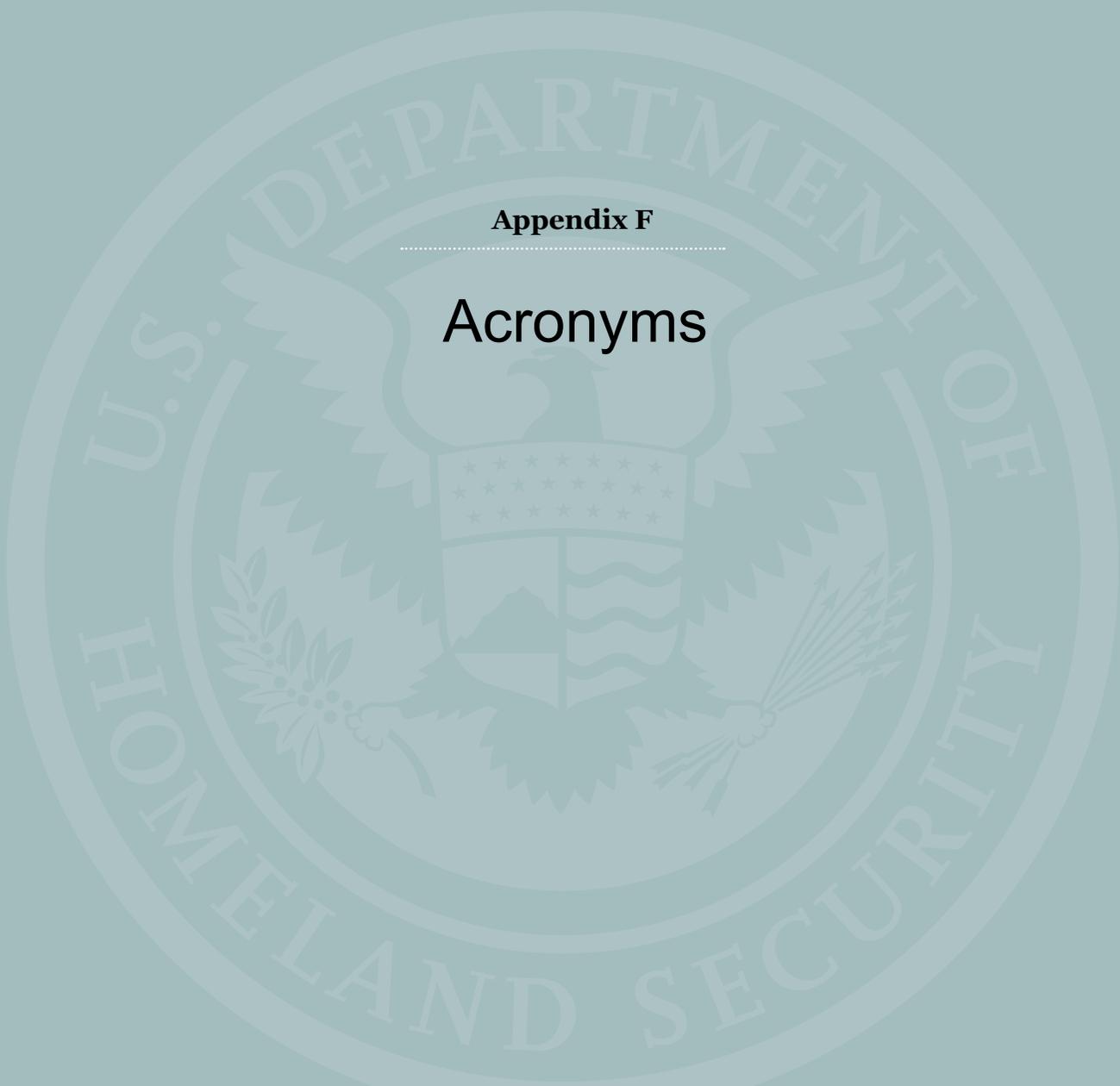


Functional Area	GAO Outcome	GAO Rating October 2015	DHS August 2016 Self-Assessment
FM 1	1. Clean opinion on all financial statements	<b>**Fully Addressed</b>	<b>**Fully Addressed</b>
FM 2	2. Clean opinion on internal controls	Partially Addressed	Partially Addressed
FM 3	3. Clean opinions for two years	<b>**Fully Addressed</b>	<b>**Fully Addressed</b>
FM 4	4. Clean opinions for two years on internal controls	Initiated	Initiated
FM 5	5. Compliance with FFMIA	Partially Addressed	Partially Addressed
FM 6	6. USCG Financial Systems Modernization	Partially Addressed	Partially Addressed
FM 7	7. FEMA Financial Systems Modernization	Initiated	Initiated
FM 8	8. ICE Financial Systems Modernization	Initiated	Initiated
HCM 1	9. Implement Human Capital Plan	<b>**Fully Addressed</b>	<b>**Fully Addressed</b>
HCM 2	10. Link workforce planning to other Department planning efforts	Mostly Addressed	F*Fully Addressed
HCM 3	11. Enhance recruiting to meet current and long-term needs	Mostly Addressed	*Fully Addressed
HCM 4	12. Base human capital decisions on competencies and performance	Mostly Addressed	*Fully Addressed
HCM 5	13. Seek employee input to strengthen human capital approaches and activities	Partially Addressed	*Mostly Addressed
HCM 6	14. Improve Federal Employee Viewpoint Survey Scores	Partially Addressed	Partially Addressed
HCM 7	15. Assess and improve training, education & development programs	Partially Addressed	*Mostly Addressed
ITM 1	16. Achieve EAMFF Stage 4	<b>**Fully Addressed</b>	<b>**Fully Addressed</b>
ITM 2	17. Achieve ITIMF Stage 3	<b>**Fully Addressed</b>	<b>**Fully Addressed</b>
ITM 3	18. Achieve CMMI Level 2	<b>**Fully Addressed</b>	<b>**Fully Addressed</b>
ITM 4	19. Implement IT Human Capital Plan	Mostly Addressed	Mostly Addressed
ITM 5	20. Adhere to IT Program Baselines	Partially Addressed	Partially Addressed
ITM 6	21. Enhance IT Security	Mostly Addressed	Mostly Addressed
APM 1	22. Timely validate required acquisition documents	Mostly Addressed	*Fully Addressed
APM 2	23. Improve Component acquisition capabilities	<b>**Fully Addressed</b>	<b>**Fully Addressed</b>
APM 3	24. Establish and effectively operate the Joint Requirements Council to review and validate requirements for acquisition programs.	Partially Addressed	*Mostly Addressed
APM 4	25. Ensure sufficiently trained and certified acquisition personnel are deployed	Mostly Addressed	*Fully Addressed
APM 5	26. Establish oversight mechanisms to validate that acquisition programs are achieving goals and comply with Department policies	Initiated	*Mostly Addressed
MI 1	27. Implement actions / outcomes in each LOB	Partially Addressed	*Mostly Addressed
MI 2	28. Revise MI strategy to address previous recommendations	<b>**Fully Addressed</b>	<b>**Fully Addressed</b>
MI 3	29. Establish performance measures to assess ongoing progress	<b>**Fully Addressed</b>	<b>**Fully Addressed</b>
MI 4	30. Promote department-wide accountability through performance management system		

**\*Blue highlight:** Areas where DHS projects increased ratings by August 2016

**\*\*Green highlight:** Fully Addressed outcomes

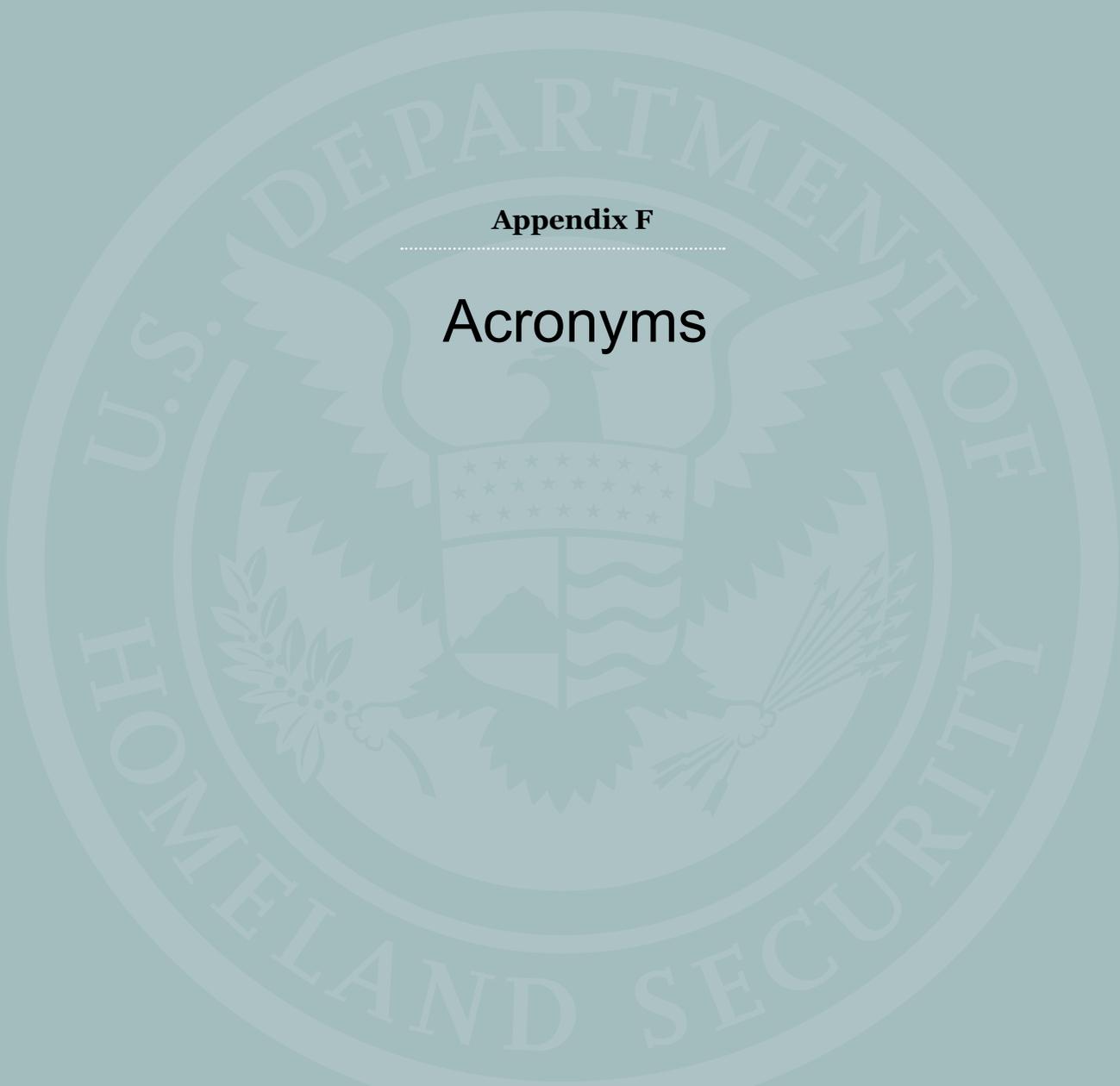




**Appendix F**

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**Acronyms**



**Appendix F**

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**Acronyms**



A&O	Analysis and Operations
AA	Analysis of Alternatives
ADE	Acquisition Decision Event
APB	Acquisition Program Baselines
APCP	Acquisition Professional Career Program
APHA	Acquisition Program Health Assessment
APM	Acquisition Program Management
BWAT	Balanced Workforce Assessment Tool
BWS	Balanced Workforce Strategy
CAE	Component Acquisition Executive
CAO	Chief Acquisition Officer
CAR	Capabilities Analysis Report
CBP	U.S. Customs and Border Protection
CFO	Chief Financial Officer
CHCO	Chief Human Capital Officer
CIO	Chief Information Officer
CISO	Chief Information Security Officer
CLOC	Chief Learning Officer Council
CMMI	Capability Maturity Model Integration
COE	Center of Excellence
CROP	Component Recruitment and Outreach Plan
CROS	Coordinated Recruiting and Outreach Strategy
DATA	Digital Accountability and Transparency Act
DMAG	Deputy's Management Action Group
DNDO	Domestic Nuclear Detection Office
DOI	Department of the Interior
DUSM	Deputy Under Secretary for Management
EAMMF	Enterprise Architecture Management Maturity Framework
EBMO	Enterprise Business Management Office
ESC	Executive Steering Committee



FAC-P/PM	Federal Acquisition Certification for Program and Project Managers
FAITAS	Federal Acquisition Institute Training Application System
FEMA	Federal Emergency Management Agency
FEVS	Federal Employee Viewpoint Survey
FFMIA	Federal Financial Management Improvement Act of 1996
FISMA	Federal Information Security Management Act of 2002
FIT	Financial Innovation and Transformation
FITARA	Federal Information Technology Acquisition Reform Act
FLETC	Federal Law Enforcement Training Centers
FMSB	Financial Management Systems Branch
FSM	Financial Systems Modernization
FY	Fiscal Year
HCAAF	Human Capital Assessment and Accountability Framework
HCLC	Human Capital Leadership Council
HCM	Human Capital Management
HCSP	Human Capital Strategic Plan
HQ	Headquarters
HRIT	Human Resources Information Technology
HRMS	Human Resource Management Services
HROA	Human Resources Operational Audit
HSAI	Homeland Security Acquisition Institute
HSIN	Homeland Security Information Network
IAA	Interagency Agreement
IBC	Interior Business Center
ICE	U.S. Immigration and Customs Enforcement
ICOFR	Internal Control Over Financial Reporting
IFMIS	Integrated Financial Management Information System
INVEST	Investment Evaluation, Submission, and Tracking System
IPT	Integrated Product Team
IQ	Inclusion Quotient



ISCM	Information Security Continuous Monitoring
IT	Information Technology
ITIMF	Information Technology Investment Management Framework
ITM	Information Technology Management
ITPM	Information Technology Program Manager
ITSGB	Information Technology Infrastructure Services Governance Board
JRC	Joint Requirements Council
JRIMS	Joint Requirement Integration and Management System
JTF	Joint Task Force
KM/DS	Knowledge Management/Decision Support
MAOL	Master Acquisition Oversight List
MAP	Mission Action Plans
MCO	Mission Critical Occupations
MD	Management Directive
MGMT	Management
NPPD	National Protection and Programs Directorate
NSS	National Security Systems
OCFO	Office of the Chief Financial Officer
OCHCO	Office of the Chief Human Capital Officer
OCIO	Office of the Chief Information Officer
OCISO	Office of the Chief Information Security Officer
OCPO	Office of the Chief Procurement Officer
OFO	Office of Financial Operations
OIG	Office of Inspector General
OMB	Office of Management and Budget
OPM	Office of Personnel Management
PALMS	Performance and Learning Management System
PARM	Office of Program Accountability and Risk Management
PIL	Procurement Innovation Lab
PLCY	Office of Policy



## Appendix F

## Acronyms

POAM	Plan of Action and Milestones
PPBE	Planning, Programming, Budgeting, and Execution
R&D	Research and Development
RAD	Resource Allocation Decision
RM&A	Risk Management and Assurance Division
RPG	Resource Planning Guide
RVSS	Remote Video Surveillance System Program
S&T	Science and Technology Directorate
SLC	Senior Leaders Council
SOP	Standard Operation Procedure
TSA	Transportation Security Administration
USCG	U.S. Coast Guard
USCIS	U.S. Citizenship and Immigration Services
USGCB	United States Government Configuration Baseline
USSM	Unified Shared Services Management
USSS	U.S. Secret Service